

PART 802—REGULATIONS PERTAINING TO CERTAIN TRANSACTIONS BY FOREIGN PERSONS INVOLVING REAL ESTATE IN THE UNITED STATES

Subpart A—General

Sec.

- 802.101 Scope.
- 802.102 Risk-based analysis.
- 802.103 Effect on other law.
- 802.104 Applicability rule.
- 802.105 Rules of construction and interpretation.

Subpart B—Definitions

- 802.201 Business day.
- 802.202 Certification.
- 802.203 Close proximity.
- 802.204 Committee; Chairperson of the Committee; Staff Chairperson.
- 802.205 Completion date.
- 802.206 Concession.
- 802.207 Contingent equity interest.
- 802.208 Control.
- 802.209 Conversion.
- 802.210 Covered port.
- 802.211 Covered real estate.
- 802.212 Covered real estate transaction.
- 802.213 Entity.
- 802.214 Excepted real estate foreign state.
- 802.215 Excepted real estate investor.
- 802.216 Excepted real estate transaction.
- 802.217 Extended range.
- 802.218 Foreign entity.
- 802.219 Foreign government.
- 802.220 Foreign national.
- 802.221 Foreign person.
- 802.222 Hold.
- 802.223 Housing unit.
- 802.224 Investment fund.
- 802.225 Lead agency.
- 802.226 Lease.
- 802.227 Military installation.
- 802.228 Minimum excepted ownership.
- 802.229 Parent.
- 802.230 Party to a transaction.
- 802.231 Person.
- 802.232 Principal place of business.
- 802.233 Property right.
- 802.234 Purchase.
- 802.235 Real estate.
- 802.236 Section 721.
- 802.237 Transaction.
- 802.238 United States.
- 802.239 Urban cluster.
- 802.240 Urbanized area.
- 802.241 U.S. business.
- 802.242 U.S. national.
- 802.243 U.S. public entity.
- 802.244 Voting interest.

Subpart C—Coverage

- 802.301 Transactions that are covered real estate transactions.
- 802.302 Transactions that are not covered real estate transactions.
- 802.303 Lending transactions.
- 802.304 Timing rule for a contingent equity interest.

Subpart D—Declarations

- 802.401 Procedures for declarations.
- 802.402 Contents of declarations.
- 802.403 Beginning of 30-day assessment period.
- 802.404 Rejection, disposition, or withdrawal of declarations.
- 802.405 Committee actions.

Subpart E—Notices

- 802.501 Procedures for notices.
- 802.502 Contents of voluntary notices.
- 802.503 Beginning of 45-day review period.
- 802.504 Deferral, rejection, or disposition of certain voluntary notices.
- 802.505 Determination of whether to undertake an investigation.
- 802.506 Determination not to undertake an investigation.
- 802.507 Commencement of investigation.
- 802.508 Completion or termination of investigation and report to the President.
- 802.509 Withdrawal of notices.

Subpart F—Committee Procedures

- 802.601 General.
- 802.602 Role of the Secretary of Labor.
- 802.603 Materiality.
- 802.604 Tolling of deadlines during lapse in appropriations.

Subpart G—Finality of Action

- 802.701 Finality of actions under section 721.

Subpart H—Provision and Handling of Information

- 802.801 Obligation of parties or other persons to provide information.
- 802.802 Confidentiality.

Subpart I—Penalties and Damages

- 802.901 Penalties and damages.
- 802.902 Effect of lack of compliance.

Subpart J—Foreign National Security Investment Review Regimes

- 802.1001 Determinations.
- 802.1002 Effect of determinations.

Subpart K—Filing Fees

- 802.1101 Amount of fee.

§ 802.101

- 802.1102 Timing of payment.
- 802.1103 Valuation.
- 802.1104 Manner of payment.
- 802.1105 Refunds.
- 802.1106 Waiver.
- 802.1107 Refilings.
- 802.1108 Rejection of voluntary notice.

APPENDIX A TO PART 802—LIST OF MILITARY INSTALLATIONS AND OTHER U.S. GOVERNMENT SITES.

AUTHORITY: 50 U.S.C. 4565; E.O. 11858, as amended, 73 FR 4677.

SOURCE: 85 FR 3166, Jan. 17, 2020, unless otherwise noted.

Subpart A—General

§ 802.101 Scope.

(a) Section 721 of title VII of the Defense Production Act of 1950, as amended (50 U.S.C. 4565) authorizes the Committee on Foreign Investment in the United States to review transactions involving real estate that meet specified criteria, which are referred to in this part as “covered real estate transactions” and defined at § 802.212, and to mitigate any risk to the national security of the United States that arises as a result of such transactions. Section 721 also authorizes the President to suspend or prohibit any covered real estate transaction when, in the President’s judgment, there is credible evidence that leads the President to believe that the foreign person engaging in a covered real estate transaction might take action that threatens to impair the national security of the United States, and when provisions of law other than section 721 and the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) do not, in the judgment of the President, provide adequate and appropriate authority for the President to protect the national security of the United States in the matter before the President.

(b) This part implements regulations pertaining to covered real estate transactions. Regulations pertaining to “covered transactions” are addressed in part 800 of this chapter.

§ 802.102 Risk-based analysis.

Any determination of the Committee with respect to a covered real estate transaction, to suspend, refer to the President, or to negotiate, enter into

31 CFR Ch. VIII (7–1–25 Edition)

or impose, or enforce any agreement or condition under section 721 shall be based on a risk-based analysis, conducted by the Committee, of the effects on the national security of the United States of the covered real estate transaction. Any such risk-based analysis shall include credible evidence demonstrating the risk and an assessment of the threat, vulnerabilities, and consequences to national security related to the transaction. For purposes of this part, any such analysis of risk shall include and be informed by consideration of the following elements:

(a) The *threat*, which is a function of the intent and capability of a foreign person to take action to impair the national security of the United States;

(b) The *vulnerabilities*, which are the extent to which the nature of the covered real estate presents susceptibility to impairment of national security; and

(c) The *consequences to national security*, which are the potential effects on national security that could reasonably result from the exploitation of the vulnerabilities by the threat actor.

§ 802.103 Effect on other law.

Nothing in this part shall be construed as altering or affecting any other authority, process, regulation, investigation, enforcement measure, or review provided by or established under any other provision of federal law, including the International Emergency Economic Powers Act, or any other authority of the President or the Congress under the Constitution of the United States.

§ 802.104 Applicability rule.

(a) Except as provided in paragraphs (b) and (c) of this section and otherwise in this part, the regulations in this part apply from February 13, 2020.

(b) The regulations in this part adopted by the final rule published in the FEDERAL REGISTER on January 17, 2020 (85 FR 3158), shall apply to any transaction for which:

(1) The completion date was on or after February 13, 2020, and before September 22, 2023; or

(2) The parties to the transaction have executed a binding written agreement, or other binding document, establishing the material terms of the transaction on or after February 13, 2020, and before September 22, 2023.

(c) The regulations in this part as amended by the final rule published in the FEDERAL REGISTER on August 23, 2023 (88 FR 57348), shall apply to any transaction for which:

(1) The completion date was on or after September 22, 2023, and before December 9, 2024; or

(2) The parties to the transaction have executed a binding written agreement, or other binding document, establishing the material terms of the transaction on or after September 22, 2023, and before December 9, 2024.

(d) The regulations in this part as amended by the final rule published in the FEDERAL REGISTER on November 7, 2024 (89 FR 88133), shall apply to any transaction for which:

(1) The completion date was on or after December 9, 2024; or

(2) The parties to the transaction have executed a binding written agreement, or other binding document, establishing the material terms of the transaction on or after December 9, 2024.

[89 FR 88133, Nov. 7, 2024; 89 FR 90592, Nov. 18, 2024, as amended at 89 FR 93185, Nov. 26, 2024]

EDITORIAL NOTE: At 89 FR 93185, Nov. 26, 2024, §802.104 was amended by adding paragraph (c). However, the amendment could not be incorporated because paragraph (c) already exists.

§ 802.105 Rules of construction and interpretation.

(a) The examples included in this part are provided for informational purposes and should not be construed to alter the meaning of the text of the regulations in this part.

(b) As used in this part, the term “including” means “including but not limited to.”

Subpart B—Definitions

§ 802.201 Business day.

The term *business day* means Monday through Friday, except the legal public holidays specified in 5 U.S.C. 6103, any day declared to be a holiday by federal

statute or executive order, or any day with respect to which the U.S. Office of Personnel Management has announced that Federal agencies in the Washington, DC, area are closed. For purposes of calculating any deadline imposed by this part triggered by the submission of a party to a transaction under §802.501(i), any submissions received after 5 p.m. Eastern Time are deemed to be submitted on the next business day.

NOTE 1 TO §802.201: See §802.604 regarding the tolling of deadlines during a lapse in appropriations.

§ 802.202 Certification.

(a) The term *certification* means a written statement signed by the chief executive officer or other duly authorized designee of a party filing a notice, declaration, or information, certifying under the penalties provided in the False Statements Accountability Act of 1996, as amended (18 U.S.C. 1001) that the notice, declaration, or information filed:

(1) Fully complies with the requirements of section 721, the regulations in this part, and any agreement or condition entered into with the Committee or any member of the Committee, and

(2) Is accurate and complete in all material respects, as it relates to:

(i) The transaction; and

(ii) The party providing the certification, including its parents, subsidiaries, and any other related entities described in the notice, declaration, or information.

(b) For purposes of this section, a *duly authorized designee* is:

(1) In the case of a partnership, any general partner thereof;

(2) In the case of a corporation, any officer or director thereof;

(3) In the case of any entity lacking partners, officers, and directors, any individual within the organization exercising executive functions similar to those of a general partner of a partnership or an officer or director of a corporation; and

(4) In the case of an individual, such individual or his or her legal representative.

(c) In each case described in paragraphs (b)(1) through (4) of this section,

§ 802.203

such designee must possess actual authority to make the certification on behalf of the party filing a notice, declaration, or information.

NOTE 1 TO § 802.202: A sample certification may be found at the Committee's section of the Department of the Treasury website. See §§ 802.402(f) and 802.502(k) regarding filing procedures for transactions in which a U.S. public entity is a party to the transaction.

§ 802.203 Close proximity.

The term *close proximity* means, with respect to a military installation or another facility or property of the U.S. Government identified in this part, the area that extends outward one mile from the boundary of such military installation, facility, or property.

§ 802.204 Committee; Chairperson of the Committee; Staff Chairperson.

The term *Committee* means the Committee on Foreign Investment in the United States. The *Chairperson of the Committee* is the Secretary of the Treasury. The *Staff Chairperson* of the Committee is the Department of the Treasury official so designated by the Secretary of the Treasury or by the Secretary's designee.

§ 802.205 Completion date.

The term *completion date* means, with respect to a transaction, the earliest date upon which the purchase, lease, or concession is made legally effective, or a change in rights that could result in a covered real estate transaction occurs.

NOTE 1 TO § 802.205: See § 802.304 regarding the timing rule for a contingent equity interest.

§ 802.206 Concession.

The term *concession* means an arrangement, other than a purchase or lease, whereby a U.S. public entity grants a right to use real estate for the purpose of developing or operating infrastructure for a covered port. This term includes the assignment of a concession, in whole or in part, by the party who is not the U.S. public entity.

§ 802.207 Contingent equity interest.

The term *contingent equity interest* means a financial instrument that currently does not constitute an equity in-

31 CFR Ch. VIII (7–1–25 Edition)

terest but is convertible into, or provides the right to acquire, an equity interest upon the occurrence of a contingency or defined event.

§ 802.208 Control.

(a) The term *control* means the power, direct or indirect, whether or not exercised, through the ownership of a majority or a dominant minority of the total outstanding voting interest in an entity, board representation, proxy voting, a special share, contractual arrangements, formal or informal arrangements to act in concert, or other means, to determine, direct, or decide important matters affecting an entity; in particular, but without limitation, to determine, direct, take, reach, or cause decisions regarding the following matters, or any other similarly important matters affecting an entity:

(1) The sale, lease, mortgage, pledge, or other transfer of any of the tangible or intangible principal assets of the entity, whether or not in the ordinary course of business;

(2) The reorganization, merger, or dissolution of the entity;

(3) The closing, relocation, or substantial alteration of the production, operational, or research and development facilities of the entity;

(4) Major expenditures or investments, issuances of equity or debt, or dividend payments by the entity, or approval of the operating budget of the entity;

(5) The selection of new business lines or ventures that the entity will pursue;

(6) The entry into, termination, or non-fulfillment by the entity of significant contracts;

(7) The policies or procedures of the entity governing the treatment of non-public technical, financial, or other proprietary information of the entity;

(8) The appointment or dismissal of officers or senior managers or, in the case of a partnership, the general partner;

(9) The appointment or dismissal of employees with access to critical technology or other sensitive technology or classified U.S. Government information; or

(10) The amendment of the Articles of Incorporation, constituent agreement,

or other organizational documents of the entity with respect to the matters described in paragraphs (a)(1) through (9) of this section.

(b) In examining questions of control in situations where more than one foreign person has an ownership interest in an entity, consideration will be given to factors such as whether the foreign persons are related or have formal or informal arrangements to act in concert, whether they are agencies or instrumentalities of the national or subnational governments of a single foreign state, and whether a given foreign person and another person that has an ownership interest in the entity are both controlled by any of the national or subnational governments of a single foreign state.

(c) The following minority shareholder protections shall not in themselves be deemed to confer control over an entity:

(1) The power to prevent the sale or pledge of all or substantially all of the assets of an entity or a voluntary filing for bankruptcy or liquidation;

(2) The power to prevent an entity from entering into contracts with majority investors or their affiliates;

(3) The power to prevent an entity from guaranteeing the obligations of majority investors or their affiliates;

(4) The right to purchase an additional interest in an entity to prevent the dilution of an investor's pro rata interest in that entity in the event that the entity issues additional instruments conveying interests in the entity;

(5) The power to prevent the change of existing legal rights or preferences of the particular class of stock held by minority investors, as provided in the relevant corporate documents governing such shares; and

(6) The power to prevent the amendment of the Articles of Incorporation, constituent agreement, or other organizational documents of an entity with respect to the matters described in paragraphs (c)(1) through (5) of this section.

(d) The Committee will consider, on a case-by-case basis, whether minority shareholder protections other than those listed in paragraph (c) of this sec-

tion do not confer control over an entity.

NOTE 1 TO § 802.208: This definition is included herein for the purpose of determining whether a foreign person may be involved in a covered real estate transaction. For additional information, see the examples provided at § 800.208, as relevant.

§ 802.209 Conversion.

The term *conversion* means the exercise of a right inherent in the ownership or holding of a particular financial instrument to exchange any such instrument for an equity interest.

§ 802.210 Covered port.

(a) The term *covered port* means, subject to paragraph (b) of this section, any port that is listed:

(1) In the Department of Transportation, Federal Aviation Administration's annual final enplanement data as a "large hub airport," as that term is defined in 49 U.S.C. 40102;

(2) In the Department of Transportation, Federal Aviation Administration's annual final all-cargo landed weight data as an airport with annual aggregate all-cargo landed weight greater than 1.24 billion pounds;

(3) By the Department of Transportation, Federal Aviation Administration as a "joint use airport," as that term is defined in 49 U.S.C. 47175;

(4) By the Department of Transportation, Maritime Administration as a commercial strategic seaport within the National Port Readiness Network; or

(5) By the Department of Transportation, Bureau of Transportation Statistics as a top 25 tonnage, container, or dry bulk port.

(b) For purposes of determining whether a port constitutes a covered port under paragraph (a) of this section,

(1) Any port that is added after February 13, 2020 to any of the lists described in paragraph (a) of this section shall be deemed not to be in effect as a covered port until 30 days after the port's addition to the relevant list maintained by the Department of Transportation; and

(2) In the context of a particular transaction, the covered ports in effect on the day immediately prior to, the

§ 802.211

earlier of, the date on which the parties sign a written document establishing the material terms of the transaction, or the completion date of the transaction, shall apply.

NOTE 1 TO § 802.210: The lists described in paragraph (a) of this section are published on the Department of Transportation website.

§ 802.211 Covered real estate.

The term *covered real estate* means real estate that:

(a) Is, is located within, or will function as part of, a covered port; or

(b) Is located within:

(1) Close proximity of any military installation described in § 802.227(b) to (o), or another facility or property of the U.S. Government, in each case as identified in the list at part 1 or part 2 of appendix A to this part;

(2) The extended range of any military installation described in § 802.227(h), (k), or (m), as identified in the list at part 2 of appendix A to this part;

(3) Any county or other geographic area identified in connection with any military installation described in § 802.227(a), as identified in the list at part 3 of appendix A to this part; or

(4) Any part of a military installation described in § 802.227(p), as identified at part 4 of appendix A to this part, to the extent located within the limits of the territorial sea of the United States.

§ 802.212 Covered real estate transaction.

The term *covered real estate transaction* means:

(a) Other than an excepted real estate transaction, any purchase or lease by, or concession to, a foreign person of covered real estate, that affords the foreign person at least three of the property rights under § 802.233;

(b) Other than an excepted real estate transaction, any purchase or lease by, or concession to, a foreign person of covered real estate, that, through a subsequent change in the rights that a foreign person has with respect to that covered real estate, results in the foreign person having at least three of the property rights under § 802.233; or

(c) Any other transaction, transfer, agreement, or arrangement, the struc-

31 CFR Ch. VIII (7–1–25 Edition)

ture of which is designed or intended to evade or circumvent the application of section 721 as it relates to real estate transactions.

NOTE 1 TO § 802.212: Any transaction, transfer, agreement, or arrangement described in this section that arises pursuant to a bankruptcy proceeding or other form of default on debt is a covered real estate transaction. See also § 802.303 for the treatment of certain lending transactions.

§ 802.213 Entity.

The term *entity* means any branch, partnership, group or sub-group, association, estate, trust, corporation or division of a corporation, or organization (whether or not organized under the laws of any State or foreign state); assets (whether or not organized as a separate legal entity) operated by any one of the foregoing as a business undertaking in a particular location or for particular products or services; and any government (including a foreign national or subnational government, the U.S. Government, a subnational government within the United States, and any of their respective departments, agencies, or instrumentalities).

§ 802.214 Excepted real estate foreign state.

The term *excepted real estate foreign state* means, until February 13, 2023, a foreign state that meets the criteria in paragraph (a) of this section, and beginning on February 13, 2023, a foreign state that meets both the criteria in paragraphs (a) and (b) of this section:

(a) Is identified by the Committee as an eligible foreign state and

(b) Is a foreign state for which the Committee has made a determination under § 802.1001(a).

NOTE 1 TO § 802.214: The name of each foreign state identified by the Committee as an eligible foreign state will be available at the Committee's section of the Department of the Treasury website. See § 802.1001(c) regarding the publication of a notice in the FEDERAL REGISTER of a determination under § 802.1001(a). The list of excepted real estate foreign states will also be available at the Committee's section of the Department of the Treasury website.

[85 FR 3166, Jan. 17, 2020, as amended at 87 FR 732, Feb. 4, 2022]

§ 802.215 Excepted real estate investor.

(a) The term *excepted real estate investor* means a foreign person who is, as of the completion date of the transaction and subject to paragraphs (c) and (d) of this section:

(1) A foreign national who is a national of one or more excepted real estate foreign states and is not also a national of any foreign state that is not an excepted real estate foreign state;

(2) A foreign government of an excepted real estate foreign state; or

(3) An entity that meets each of the following conditions with respect to itself and each of its parents (if any):

(i) Such entity is organized under the laws of an excepted real estate foreign state or in the United States;

(ii) Such entity has its principal place of business in an excepted real estate foreign state or in the United States;

(iii) Seventy-five percent or more of the members and 75 percent or more of the observers of the board of directors or equivalent governing body of such entity are:

(A) U.S. nationals; or

(B) Nationals of one or more excepted real estate foreign states who are not also nationals of any foreign state that is not an excepted real estate foreign state;

(iv) Any foreign person that individually, and each foreign person that is part of a group of foreign persons that in the aggregate, holds 10 percent or more of the outstanding voting interest of such entity; holds the right to 10 percent or more of the profits of such entity; holds the right in the event of dissolution to 10 percent or more of the assets of such entity; or otherwise could exercise control over such entity, is:

(A) A foreign national who is a national of one or more excepted real estate foreign states and is not also a national of any foreign state that is not an excepted real estate foreign state;

(B) A foreign government of an excepted real estate foreign state; or

(C) An entity that is organized under the laws of an excepted real estate foreign state or in the United States and has its principal place of business in an excepted real estate foreign state or in the United States; and

(v) The minimum excepted ownership of such entity is held, individually or in the aggregate, by one or more persons each of whom is:

(A) Not a foreign person;

(B) A foreign national who is a national of one or more excepted real estate foreign states and is not also a national of any foreign state that is not an excepted real estate foreign state;

(C) A foreign government of an excepted real estate foreign state; or

(D) An entity that is organized under the laws of an excepted real estate foreign state or in the United States and has its principal place of business in an excepted real estate foreign state or in the United States.

(b) For purposes of paragraph (a)(3)(iv) of this section, foreign persons who are related, have formal or informal arrangements to act in concert, or are agencies or instrumentalities of, or controlled by, the national or subnational governments of a single foreign state are considered part of a group of foreign persons and their individual ownerships are aggregated.

(c) Notwithstanding paragraph (a) of this section, a foreign person is not an excepted real estate investor with respect to a transaction if:

(1) In the five years prior to the completion date of the transaction the foreign person, any of its parents, or any entity of which it is a parent:

(i) Has received written notice from the Committee that it has submitted a material misstatement or omission in a notice or declaration or made a false certification under this part or part 800 or 801 of this chapter;

(ii) Has received written notice from the Committee that it has violated a material provision of a mitigation agreement entered into with, material condition imposed by, or an order issued by, the Committee or a lead agency under section 721(l);

(iii) Has been subject to action by the President under section 721(d);

(iv) Has:

(A) Received a written Finding of Violation or Penalty Notice imposing a civil monetary penalty from the Department of the Treasury, Office of Foreign Assets Control (OFAC); or

(B) Entered into a settlement agreement with OFAC with respect to apparent violations of U.S. sanctions laws administered by OFAC, including the International Emergency Economic Powers Act, the Trading With the Enemy Act, the Foreign Narcotics Kingpin Designation Act, each as amended, or of any executive order, regulation, order, directive, or license issued pursuant thereto;

(v) Has received a written notice of debarment from the Department of State, Directorate of Defense Trade Controls, as described in 22 CFR parts 127 and 128;

(vi) Has been a respondent or party in a final order, including a settlement order, issued by the Department of Commerce, Bureau of Industry and Security (BIS) regarding violations of U.S. export control laws administered by BIS, including the Export Control Reform Act of 2018 (50 U.S.C. 4801 *et seq.*), the Export Administration Regulations (15 CFR parts 730–774), or of any executive order, regulation, order, directive, or license issued pursuant thereto;

(vii) Has received a final decision from the Department of Energy, National Nuclear Security Administration imposing a civil penalty with respect to a violation of section 57 b. of the Atomic Energy Act of 1954, as implemented under 10 CFR part 810; or

(viii) Has been convicted of, or has entered into a deferred prosecution agreement or non-prosecution agreement with the Department of Justice with respect to, any felony in any jurisdiction within the United States; or

(2) The foreign person, any of its parents, or any entity of which it is a parent is, on the date on which the parties to the transaction first execute a binding written agreement, or other binding document, establishing the material terms of the transaction, listed on either the BIS Unverified List or Entity List in 15 CFR part 744.

(d) Irrespective of whether the foreign person satisfies the criteria in paragraph (a)(1) or (2), (a)(3)(i) through (iii), or (c)(1)(i) through (iii) of this section as of the completion date, if at any time during the three-year period following the completion date the foreign person no longer meets all the cri-

teria set forth in paragraph (a)(1) or (2), (a)(3)(i) through (iii), or (c)(1)(i) through (iii) of this section, the foreign person is not an excepted real estate investor with respect to the transaction from the completion date onward. This paragraph does not apply when an excepted real estate investor no longer meets any of the criteria solely due to a rescission of a determination under § 802.1001(b) or if the relevant foreign state otherwise ceases to be an excepted real estate foreign state.

(e) A foreign person may waive its status as an excepted real estate investor with respect to a transaction at any time by submitting a declaration under § 802.401 or filing a notice under § 802.501 regarding the transaction in which it explicitly waives such status. In such case, the foreign person will be deemed not to be an excepted real estate investor with respect to the transaction, and the relevant provisions of subpart D or E will apply.

NOTE 1 TO § 802.215: See § 802.501(c)(2) regarding an agency notice where a foreign person is not an excepted real estate investor solely due to paragraph (d) of this section.

[85 FR 3166, Jan. 17, 2020; 85 FR 8747, Feb. 18, 2020]

§ 802.216 Excepted real estate transaction.

The term *excepted real estate transaction* means the following:

(a) A purchase or lease by, or concession to, an excepted real estate investor of covered real estate, or a change in rights of an excepted real estate investor with respect to covered real estate.

(b) A covered transaction as defined in part 800 of this chapter that includes the purchase, lease, or concession of covered real estate.

(c) The purchase, lease, or concession of covered real estate that is within an urbanized area or urban cluster, except for real estate that is subject to paragraph (a) or (b)(1) of § 802.211.

(d) The purchase, lease, or concession of covered real estate that is a single housing unit, including fixtures and adjacent land to the extent that such fixtures and land are incidental to the use of the real estate as a single housing unit.

(e) The lease by or a concession to a foreign person of covered real estate under paragraph (a) of § 802.211 if:

(1) The foreign person is a foreign air carrier, as that term is defined in 49 U.S.C. 40102(a)(21), for whom the Department of Homeland Security, Transportation Security Administration has accepted a security program under 49 CFR 1546.105, but only to the extent that the lease or concession is in furtherance of its activities as a foreign air carrier; or

(2) According to the terms of the lease or concession, the covered real estate may be used only for the purpose of engaging in the retail sale of consumer goods or services to the public.

(f) The purchase or lease by, or concession to, a foreign person of commercial space in a multi-unit building that is covered real estate, if, upon the completion of the transaction:

(1) The foreign person and its affiliates do not, in the aggregate, hold, lease, or have a concession with respect to commercial space in such building that exceeds 10 percent of the total square footage of the commercial space of such building; and

(2) The foreign person and its affiliates (each counted separately) do not represent more than 10 percent of the total number of tenants based on the number of ownership, lease and concession arrangements for commercial space in the building.

(g) The purchase or lease by, or a concession to, a foreign person of covered real estate either:

(1) Owned by an Alaska “Native village,” “Native group,” or “Native Corporation” as those terms are defined in the Alaska Native Claims Settlement Act at 43 U.S.C. 1602; or

(2) Held in trust by the United States for American Indians, Indian tribes, Alaska Natives, or any of the entities set forth in paragraph (g)(1) of this section.

(h) Examples:

(1) *Example 1.* Corporation A, a foreign person, proposes to purchase all of the shares of Corporation X, a U.S. business. Corporation X is in the business of owning and leasing real estate, including real estate properties that are in close proximity to military in-

stallations identified in part 1 and part 2 of appendix A to this part. As the sole owner of Corporation X, Corporation A will have control over Corporation X. The proposed transaction is not a covered real estate transaction but is a covered transaction under part 800 of this chapter.

(2) *Example 2.* Same facts as the example in paragraph (h)(1) of this section. After the transaction contemplated in Example 1 of this section is completed, Corporation X leases from another person a tract of land that is in close proximity to a military installation identified in part 1 of appendix A to this part. Assuming no other relevant facts, the proposed transaction is a covered real estate transaction but only with respect to the new lease.

(3) *Example 3.* Corporation A, a foreign person, seeks to purchase from Corporation X an empty warehouse located in close proximity to a military installation identified in part 2 of appendix A to this part. Assuming no other relevant facts, the purchase of the covered real estate is not a covered transaction subject to part 800 of this chapter because Corporation A has not acquired a U.S. business, and the purchase is a covered real estate transaction.

(4) *Example 4.* Same facts as the example in paragraph (h)(3) of this section, except that, in addition to the proposed purchase of Corporation X’s empty warehouse, Corporation A would also acquire from Corporation X the personnel, customer list, equipment, and inventory management software used to operate the warehouse. Under these facts, Corporation A is acquiring a U.S. business, and the proposed transaction is a covered transaction subject to part 800 of this chapter and therefore not a covered real estate transaction.

(5) *Example 5.* Corporation A, a foreign person, purchases covered real estate that is undeveloped and in close proximity to a military installation identified in part 1 of appendix A to this part. Corporation A, through a newly incorporated U.S. subsidiary, intends to use the covered real estate to

§ 802.217

31 CFR Ch. VIII (7–1–25 Edition)

set up a manufacturing facility. Assuming no other relevant facts, Corporation A has not acquired a U.S. business, the purchase of the covered real estate is not a covered transaction subject to part 800 of this chapter, and Corporation A's purchase of the covered real estate is a covered real estate transaction.

(6) *Example 6.* A foreign person purchases real estate. The nearest military installation is one that is identified in part 2 of appendix A to this part and is 40 miles away (*i.e.*, in the extended range) from the real estate. The real estate is located in a statistical geographic area with a population of 125,000 individuals. Assuming no other relevant facts, the transaction is not a covered real estate transaction because the covered real estate is located in an urbanized area.

(7) *Example 7.* Same facts as the example in paragraph (h)(6) of this section, except that the covered real estate is not located in an urbanized area or an urban cluster. Assuming no other relevant facts, the real estate transaction is a covered real estate transaction.

(8) *Example 8.* A foreign person purchases real estate that is 0.25 miles from a military installation identified in part 1 of appendix A to this part. The real estate is located in an urbanized area. Assuming no other relevant facts, the real estate transaction is a covered real estate transaction because it is in close proximity to a military installation listed in part 1 of appendix A to this part.

(9) *Example 9.* A foreign person purchases a single housing unit, including the one acre of land surrounding it, within 0.5 miles from a military installation identified in part 1 of appendix A to this part. Each home in the neighborhood sits on a separate lot, each of which is approximately one acre in size. The acre of land surrounding the housing unit is incidental to use of the land as a single housing unit, and the real estate transaction therefore is not a covered real estate transaction.

(10) *Example 10.* Same facts as the example in paragraph (h)(9) of this section, except that the foreign person also purchases an adjacent five acres of undeveloped land a year later. Assum-

ing no other relevant facts, the purchase of the adjacent land is a covered real estate transaction.

(11) *Example 11.* A foreign person leases five percent of the total commercial space in a building located 0.5 miles from a military installation identified in part 1 of appendix A to this part. There are nine other tenants that have leases for commercial space with the building owner. Assuming no other relevant facts, the transaction is not a covered real estate transaction.

NOTE 1 TO § 802.216: With respect to paragraph (d) of this section, for purposes herein, fixtures and land may be considered incidental if the size and nature of such is common for similar single housing units in the locality in which the unit is located.

§ 802.217 Extended range.

The term *extended range* means, with respect to any military installation identified in § 802.227(h), (k), or (m), as listed in part 2 of appendix A to this part, the area that extends 99 miles outward from the outer boundary of close proximity to such military installation, but, where applicable, not exceeding the outer limit of the territorial sea of the United States.

§ 802.218 Foreign entity.

(a) The term *foreign entity* means any branch, partnership, group or subgroup, association, estate, trust, corporation or division of a corporation, or organization organized under the laws of a foreign state if either its principal place of business is outside the United States or its equity securities are primarily traded on one or more foreign exchanges.

(b) Notwithstanding paragraph (a) of this section, any branch, partnership, group or subgroup, association, estate, trust, corporation or division of a corporation, or organization that can demonstrate that a majority of the equity interest in such entity is ultimately owned by U.S. nationals is not a foreign entity.

§ 802.219 Foreign government.

The term *foreign government* means any government or body exercising governmental functions, other than the U.S. Government or a subnational government of the United States. The

term includes, but is not limited to, national and subnational governments, including their respective departments, agencies, and instrumentalities.

§ 802.220 Foreign national.

The term *foreign national* means any individual other than a U.S. national.

§ 802.221 Foreign person.

(a) The term *foreign person* means:

(1) Any foreign national, foreign government, or foreign entity; or

(2) Any entity over which control is exercised or exercisable by a foreign national, foreign government, or foreign entity.

(b) Any entity over which control is exercised or exercisable by a foreign person is a foreign person.

(c) Examples:

(1) *Example 1.* Corporation A is organized under the laws of a foreign state and is engaged in business only outside the United States. All of its shares are held by Corporation X, which solely controls Corporation A. Corporation X is organized in the United States and is wholly owned and controlled by U.S. nationals. Assuming no other relevant facts, Corporation A, although organized and operating only outside the United States, is not a foreign entity due to § 802.218(b) and is not a foreign person.

(2) *Example 2.* Same facts as the first sentence of the example in paragraph (c)(1) of this section. The government of the foreign state under whose laws Corporation A is organized exercises control over Corporation A because a law establishing Corporation A gives the foreign state the right to appoint Corporation A's board members. Corporation A is a foreign person.

(3) *Example 3.* Corporation A is organized in the United States, is engaged in interstate commerce in the United States, and is controlled by Corporation X. Corporation X is organized under the laws of a foreign state, its principal place of business is located outside the United States, and 50 percent of its shares are held by foreign nationals and 50 percent of its shares are held by U.S. nationals. Both Corporation A and Corporation X are foreign persons. Corporation A is also a U.S. business.

(4) *Example 4.* Corporation A is organized under the laws of a foreign state and is owned and controlled by a foreign national. A branch of Corporation A engages in interstate commerce in the United States. Corporation A (including its branch) is a foreign person. The branch is also a U.S. business.

(5) *Example 5.* Corporation A is organized under the laws of a foreign state and its principal place of business is located outside the United States. Forty-five percent of the equity interest in Corporation A is owned in equal shares by numerous unrelated foreign investors, none of whom has control. The foreign investors have no formal or informal arrangement with any other holder of equity interest in Corporation A to act in concert regarding Corporation A. Corporation A can demonstrate that the remainder of the equity interest in Corporation A is ultimately held by U.S. nationals. Assuming no other relevant facts, Corporation A is not a foreign entity or foreign person.

(6) *Example 6.* Same facts as the example in paragraph (c)(5) of this section, except that one of the foreign investors, a foreign national, controls Corporation A. Assuming no other relevant facts, Corporation A is not a foreign entity due to § 802.218(b), but it is a foreign person under paragraph (a)(2) of this section because it is controlled by a foreign national.

§ 802.222 Hold.

The terms *hold(s)* and *holding* mean legal or beneficial ownership, whether direct or indirect, whether through fiduciaries, agents, or other means.

§ 802.223 Housing unit.

The term *housing unit* means a single family house, townhome, mobile home or trailer, apartment, group of rooms, or single room that is occupied as a separate living quarters, or, if vacant, is intended for occupancy as a separate living quarters.

§ 802.224 Investment fund.

The term *investment fund* means any entity that is an "investment company," as defined in section 3(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-1 *et seq.*), or would be an

§ 802.225

“investment company” but for one or more of the exemptions provided in section 3(b) or 3(c) thereunder.

§ 802.225 Lead agency.

The term *lead agency* means the Department of the Treasury and any other agency designated by the Chairperson of the Committee to have primary responsibility, on behalf of the Committee, for the specific activity for which the Chairperson designates it as a lead agency, including all or a portion of an assessment, a review, an investigation, or the negotiation or monitoring of a mitigation agreement or condition.

§ 802.226 Lease.

(a) The term *lease* means an arrangement conveying a possessory interest in real estate, short of ownership, to a person for a specified time and in exchange for consideration. This term includes subleases and assignments in whole or part.

(b) Examples:

(1) *Example 1.* Foreign person A enters into an arrangement with a neighbor that allows the foreign person to use a private road running across the neighbor’s land. The road will remain owned by the neighbor following the arrangement. The neighbor will also retain physical possession of his land despite the foreign person having permission to traverse the land while using the road. The arrangement does not convey a possessory interest in real estate. Assuming no other relevant facts, the foreign person has not entered into a lease.

(2) *Example 2.* Same facts as the example in paragraph (b)(1) of this section, except that the foreign person’s arrangement with the neighbor gives the foreign person the exclusive right to occupy a portion of the neighbor’s land and attach fixtures to the surface, in exchange for a fee for a specified period of time. The foreign person can unilaterally adjust, remove, and make other changes to the fixtures. The foreign person has entered into a lease.

NOTE 1 TO § 802.226: See § 800.249(a)(5) for certain long-term leases and concessions that could be subject to part 800 of this chapter.

31 CFR Ch. VIII (7–1–25 Edition)

§ 802.227 Military installation.

The term *military installation* means any site that meets the following category descriptions, as identified in the list at appendix A to this part:

(a) Active Air Force ballistic missile fields;

(b) Air Force bases administering active Air Force ballistic missile fields;

(c) Air Force bases and major annexes thereof containing a unit from the Air Force Air Combat Command;

(d) Air Force bases and major annexes thereof containing an Air Force research laboratory or test unit and associated sites;

(e) Air Force bases and major annexes thereof, and Space Force bases and major annexes thereof containing a unit of the North American Aerospace Defense Command and its regions;

(f) Air Force bases, Air Force stations, Space Force bases, Space Force stations, and major annexes thereof, containing satellite, telemetry, tracking, or commanding systems;

(g) Army bases, ammunition plants, centers of excellence, major depots and arsenals, military terminals, and research laboratories and major annexes thereof;

(h) Army combat training centers located in the continental United States;

(i) Headquarters of the Office of the Secretary of Defense and Defense Advanced Research Projects Agency and major offices and annexes thereof;

(j) Long range radar sites and major annexes thereof in any of the following states: Alaska, North Dakota, California, or Massachusetts;

(k) Major range and test facility base activities as defined in 10 U.S.C. 196;

(l) Marine Corps bases and air stations and major annexes thereof, excluding detachments and recruit depots;

(m) Military ranges as defined in 10 U.S.C. 101 (f)(1), or joint forces training centers;

(n) Naval bases and air stations including major support activities and annexes;

(o) Naval surface, air, and undersea warfare centers and research laboratories and major annexes thereof; and

(p) Navy off-shore range complexes and off-shore operating areas.

[85 FR 3166, Jan. 17, 2020, as amended at 88 FR 57350, Aug. 23, 2023; 89 FR 88133, Nov. 7, 2024]

§ 802.228 Minimum excepted ownership.

The term *minimum excepted ownership* means:

(a) With respect to an entity whose equity securities are primarily traded on an exchange in an excepted real estate foreign state or the United States, a majority of its voting interest, the right to a majority of its profits, and the right in the event of dissolution to a majority of its assets; and

(b) With respect to an entity whose equity securities are not primarily traded on an exchange in an excepted real estate foreign state or the United States, 80 percent or more of its voting interest, the right to 80 percent or more of its profits, and the right in the event of dissolution to 80 percent or more of its assets.

§ 802.229 Parent.

(a) The term *parent* means, with respect to an entity:

(1) A person who or which directly or indirectly:

(i) Holds or will hold at least 50 percent of the outstanding voting interest in the entity; or

(ii) Holds or will hold the right to at least 50 percent of the profits of the entity, or has or will have the right in the event of dissolution to at least 50 percent of the assets of the entity; or

(2) The general partner, managing member, or equivalent of the entity.

(b) Any entity that meets the conditions of paragraph (a)(1) or (2) of this section with respect to another entity (*i.e.*, the intermediate parent) is also a parent of any other entity of which the intermediate parent is a parent.

(c) Examples:

(1) *Example 1.* Corporation P holds 50 percent of the voting interest in Corporations R and S; Corporation R holds 40 percent of the voting interest in Corporation X; and Corporation S holds 50 percent of the voting interest in Corporation Y, which in turn holds 50 percent of the voting interest in Corporation Z. Corporation P is a parent of

Corporations R, S, Y, and Z, but not of Corporation X. Corporation S is a parent of Corporation Y and Z, and Corporation Y is a parent of Corporation Z.

(2) *Example 2.* Corporation A holds warrants which when exercised will entitle it to vote 50 percent of the outstanding shares of Corporation B. Corporation A is a parent of Corporation B.

(3) *Example 3.* Investor A holds 60 percent of the outstanding voting interest in Corporation B. Investor C holds the right to 80 percent of the profits of Corporation B. Each of Investor A and Investor C is a parent of Corporation B.

§ 802.230 Party to a transaction.

(a) The term *party to a transaction* means:

(1) In the case of a purchase, the person acquiring the ownership interest, the person from whom such ownership interest is acquired, and the entity whose ownership interest is being acquired, without regard to any person providing brokerage or underwriting services for the transaction;

(2) In the case of a lease, the person acquiring the possessory interest, and the person from whom such possessory interest is acquired;

(3) In the case of a concession, the person receiving the right to use the covered real estate, and the U.S. public entity;

(4) In the case of a change in rights that a person has with respect to covered real estate as a result of a purchase, lease, or concession, the person whose rights change as a result of the transaction, and the person conveying those rights; and

(5) In the case of any other transaction, transfer, agreement, or arrangement, the structure of which is designed or intended to evade or circumvent the application of section 721, any person that participates in such transaction, transfer, agreement, or arrangement.

(6) In all cases, each party that submitted a declaration or notice to the Committee regarding a transaction.

(b) For purposes of section 721(l), the term *party to a transaction* includes any

§ 802.231

affiliate of any party described in paragraph (a) of this section that the Committee, or a lead agency acting on behalf of the Committee, determines is relevant to mitigating a risk to the national security of the United States.

§ 802.231 Person.

The term *person* means any individual or entity.

§ 802.232 Principal place of business.

(a) The term *principal place of business* means, subject to paragraph (b) of this section, the primary location where an entity's management directs, controls, or coordinates the entity's activities, or, in the case of an investment fund, where the fund's activities are primarily directed, controlled, or coordinated by or on behalf of the general partner, managing member, or equivalent.

(b) If the location determined under paragraph (a) of this section is in the United States and the entity has represented to the U.S. Government or a subnational government of the United States or any foreign government, in the most recent submission or filing to such government (other than a submission or filing to the Committee) in which the entity has identified its principal place of business, principal office and place of business, address of principal executive offices, address of headquarters, or equivalent, that any of the foregoing is outside the United States, then the location identified in such submission or filing is deemed for purposes of this definition to be the entity's principal place of business unless the entity can demonstrate that such location has changed to the United States since such submission or filing.

[85 FR 3166, Jan. 17, 2020, as amended at 85 FR 45313, July 28, 2020]

§ 802.233 Property right.

(a) The term *property right* means, with respect to real estate, any of the following rights or abilities, whether or not exercised, whether or not shared concurrently with any other person, and whether or not the underlying real estate is subject to an easement or other encumbrance:

(1) To physically access the real estate;

31 CFR Ch. VIII (7–1–25 Edition)

(2) To exclude others from physically accessing the real estate;

(3) To improve or develop the real estate; or

(4) To attach fixed or immovable structures or objects to the real estate.

(b) Examples:

(1) *Example 1.* Corporation A, a foreign person, enters into a lease of real estate. Although at least one other person shares concurrently with Corporation A the right to access the property, Corporation A retains the right to physically exclude others from access that would interfere with its rights under the lease. Under the lease, Corporation A has the right to exclude others from physically accessing the real estate, and therefore affords the foreign person a property right.

(2) *Example 2.* Corporation A, a foreign person, enters into a lease of real estate that allows Corporation A to develop the real estate. The exercise of the right to develop the real estate is subject to Corporation A obtaining the appropriate regulatory permits. Notwithstanding the fact that Corporation A has not fully exercised its lease right pending the issuance of the permits, Corporation A is a party to lease that affords it a property right for purposes of this part.

§ 802.234 Purchase.

(a) The term *purchase* means an arrangement conveying an ownership interest in real estate to a person in exchange for consideration.

(b) Example: Person A, a foreign person, acquires covered real estate from Person B, a U.S. national, in exchange for land and services. Person A has purchased the covered real estate because the arrangement was predicated on consideration in the form of land and services.

§ 802.235 Real estate.

The term *real estate* means any land, including subsurface and submerged, or structure attached to land, including any building or any part thereof, that is located in the United States.

§ 802.236 Section 721.

The term *section 721* means section 721 of title VII of the Defense Production Act of 1950, as amended (50 U.S.C. 4565).

§ 802.237 Transaction.

The term *transaction* means any purchase or lease by, or concession to, a person of real estate, whether proposed or completed.

§ 802.238 United States.

The term *United States* or *U.S.* means the United States of America, the States of the United States, the District of Columbia, and any commonwealth, territory, dependency, or possession of the United States, or any subdivision of the foregoing, and includes the territorial sea of the United States. For purposes of these regulations and their examples in this part, an entity organized under the laws of the United States of America, one of the States, the District of Columbia, or a commonwealth, territory, dependency, or possession of the United States is an entity organized “in the United States.”

§ 802.239 Urban cluster.

The term *urban cluster* means a statistical geographic area as identified in the most recent U.S. Census consisting of a densely settled core created from census tracts or blocks and contiguous qualifying territory that together have at least 2,500 individuals but fewer than 50,000 individuals.

§ 802.240 Urbanized area.

The term *urbanized area* means a statistical geographic area as identified in the most recent U.S. Census consisting of a densely settled core created from census tracts or blocks and contiguous qualifying territory that together have a minimum population of at least 50,000 individuals.

§ 802.241 U.S. business.

The term *U.S. business* means any entity, irrespective of the nationality of the persons that control it, engaged in interstate commerce in the United States.

NOTE 1 TO § 802.241: See examples to definition in § 800.252.

§ 802.242 U.S. national.

The term *U.S. national* means an individual who is a U.S. citizen or an individual who, although not a U.S. citizen, owes permanent allegiance to the United States.

§ 802.243 U.S. public entity.

The term *U.S. public entity* means the U.S. Government, a subnational government of the United States, or any other body exercising governmental functions of the United States, including air and maritime port authorities. The term includes, but is not limited to, the respective departments, agencies, and instrumentalities of the U.S. Government and the subnational governments of the United States.

§ 802.244 Voting interest.

The term *voting interest* means any interest in an entity that entitles the owner or holder of that interest to vote for the election of directors of the entity (or, with respect to unincorporated entities, individuals exercising similar functions) or to vote on other matters affecting the entity.

Subpart C—Coverage**§ 802.301 Transactions that are covered real estate transactions.**

Transactions that are covered real estate transactions include:

(a) A transaction that meets the criteria of § 802.212, including where a foreign person (other than an excepted real estate investor) enters into a purchase or lease of, or obtains a concession to, covered real estate either directly or indirectly. (See the examples in paragraphs (h)(1) and (2) of this section.)

(b) A purchase by a foreign person (other than an excepted real estate investor) of less than full ownership of covered real estate that nevertheless affords the foreign person at least three property rights with respect to the covered real estate. (See the example in paragraph (h)(3) of this section.)

(c) A purchase or lease by, or concession to, a foreign person (other than an excepted real estate investor) of real

estate, a portion of which is covered real estate with respect to which the foreign person has at least three property rights. (See the example in paragraph (h)(4) of this section.)

(d) A purchase or lease by, or concession to, a foreign person (other than an excepted real estate investor) of a portion of covered real estate with respect to which the foreign person has at least three property rights. (See the example in paragraph (h)(5) of this section.)

(e) A purchase, lease, or assignment of a concession, of covered real estate that meets the criteria of § 802.212 by one foreign person (other than an excepted real estate investor) from another foreign person. (See the example in paragraph (h)(6) of this section.)

(f) A purchase or lease by, or concession to, a foreign person (other than an excepted real estate investor) of covered real estate, that, through a subsequent change in the rights that a foreign person has with respect to covered real estate, results in the foreign person having at least three property rights. (See the example in paragraph (h)(7) of this section.)

(g) A transaction the structure of which is designed or intended to evade or circumvent the application of this part.

(h) Examples:

(1) *Example 1.* Corporation A, a foreign person, acquires Corporation X, a U.S. business. As a result, Corporation X is a foreign person. Subsequently, Corporation X purchases real estate that is in close proximity to a military installation identified in part 1 of appendix A to this part and obtains all of the property rights with respect to such real estate. Assuming no other relevant facts, the transaction is a covered real estate transaction.

(2) *Example 2.* Corporation A purchases covered real estate that is undeveloped land. Corporation A's only asset in the United States is the covered real estate, and Corporation A is not itself nor does it own a U.S. business. In a subsequent transaction, Corporation B, a foreign person, purchases 100 percent of the shares of Corporation A. Assuming no other relevant facts, the subsequent transaction as an indirect purchase of real estate is a covered real estate transaction.

(3) *Example 3.* Corporation A, a foreign person, together with Corporation B, a U.S. business, purchases real estate that is in close proximity to a military installation identified in part 2 of appendix A to this part. Neither party has full ownership; rather, the title to the real estate is held by the two parties jointly. Corporation A is afforded at least three property rights as a result of the transaction. Assuming no other relevant facts, the transaction is a covered real estate transaction.

(4) *Example 4.* Corporation A, a foreign person, purchases real estate. Half of such real estate is located in close proximity to a military installation identified in part 1 of appendix A to this part and is therefore covered real estate. The other half of the real estate purchased by Corporation A is not located in close proximity to any such military installation. Assuming no other relevant facts, Corporation A's purchase is a covered real estate transaction.

(5) *Example 5.* Corporation A, a U.S. business, purchases covered real estate that is entirely located in close proximity to a military installation identified in part 2 of appendix A to this part. Corporation B, a foreign person, leases from Corporation A a part of that real estate. Corporation B is entitled to at least three property rights with respect to the real estate as a result of the transaction. Assuming no other relevant facts, Corporation B's lease is a covered real estate transaction.

(6) *Example 6.* Corporation A, a foreign person, purchases covered real estate and is afforded three property rights with respect to the covered real estate. In a subsequent transaction, Corporation B, another foreign person, leases the covered real estate from Corporation A, and is also afforded three property rights. Assuming no other relevant facts, each transaction is a covered real estate transaction.

(7) *Example 7.* Corporation A, a foreign person, leases from Person B covered real estate, and is afforded two property rights. Person B subsequently provides Corporation A an additional property right in connection with the lease. Assuming no other relevant

facts, the lease is a covered real estate transaction because the subsequent change in rights results in the foreign person having at least three property rights.

§ 802.302 Transactions that are not covered real estate transactions.

Transactions that are not covered real estate transactions include:

(a) A transaction that meets the definition of excepted real estate transaction in § 802.216.

(b) A purchase or lease by, or concession to, a foreign person of covered real estate, or a subsequent change in rights, that does not afford or result in the foreign person having at least three of the property rights with respect to the covered real estate.

(c) An acquisition of securities by a person acting as a securities underwriter, in the ordinary course of business and in the process of underwriting.

(d) An acquisition pursuant to a condition in a contract of insurance relating to fidelity, surety, or casualty obligations if the contract was made by an insurer in the ordinary course of business.

§ 802.303 Lending transactions.

(a) The extension of a mortgage, loan, or similar financing arrangement by a foreign person to another person for the purpose of the purchase, lease, or concession of covered real estate, regardless of whether accompanied by the creation in favor of the foreign person of a secured interest in the covered real estate, shall not, by itself, constitute a covered real estate transaction.

(1) The Committee will accept notices or declarations concerning a mortgage, loan, or similar financing arrangement that does not, by itself, constitute a covered real estate transaction only at the time that, because of imminent or actual default or other condition, there is a significant possibility that a purchase or lease by, concession to, or a change in rights involving a foreign person may result from the default or other condition and that would constitute a covered real estate transaction.

(2) Where the Committee accepts a notice or declaration concerning a mortgage, loan, or similar financing arrangement under paragraph (a)(1) of this section, and a party to the transaction is a foreign person that makes mortgages or loans in the ordinary course of business, the Committee will take into account whether the foreign person has made any arrangements to transfer the ownership and property rights over the covered real estate to U.S. nationals or excepted real estate investors for purposes of determining whether such mortgage, loan, or financing arrangement constitutes a covered real estate transaction.

(b) Notwithstanding paragraph (a) of this section, a mortgage, loan, or similar financing arrangement through which a foreign person acquires property rights over covered real estate may constitute a covered real estate transaction to the extent that the arrangement would constitute a purchase, lease, or concession under this part.

(c) Example: Corporation A, a foreign bank, makes a secured loan to Corporation B in order for Corporation B to purchase a building that constitutes covered real estate. The collateral for the loan is the building that Corporation B is purchasing, and upon default, Corporation A would obtain an ownership interest and be afforded at least three property rights with respect to the building. Corporation B defaults on the loan. Assuming no other relevant facts, the Committee would accept a notice or declaration of the imminent default or default transferring ownership of the building to Corporation A, which would constitute a covered real estate transaction.

§ 802.304 Timing rule for a contingent equity interest.

(a) For purposes of determining whether to include the rights that a holder of a contingent equity interest will acquire upon conversion of, or exercise of a right provided by, that interest in the Committee's analysis of whether a notified transaction is a covered real estate transaction, the Committee will consider factors that include:

§ 802.401

31 CFR Ch. VIII (7–1–25 Edition)

(1) The imminence of conversion or satisfaction of contingent conditions;

(2) Whether conversion or satisfaction of contingent conditions depends on factors within the control of the acquiring party; and

(3) Whether the amount of interest and the rights that would be acquired upon conversion or satisfaction of contingent conditions can be reasonably determined at the time of acquisition.

(b) When the Committee, applying paragraph (a) of this section, determines that the rights that the holder will acquire upon conversion or satisfaction of contingent condition will not be included in the Committee's analysis of whether a notified or submitted transaction is a covered real estate transaction, the Committee will disregard the contingent equity interest for purposes of that transaction except to the extent that they convey immediate rights to the holder with respect to the entity that issued the interest.

Subpart D—Declarations

§ 802.401 Procedures for declarations.

(a) A party or parties may submit a voluntary declaration of a transaction by submitting electronically the information set out in § 802.402, including the certifications required thereunder, to the Staff Chairperson in accordance with the submission instructions on the Committee's section of the Department of the Treasury website.

(b) No communications other than those described in paragraph (a) of this section shall constitute the submission of a declaration for purposes of section 721.

(c) Information and other documentary material submitted to the Committee under this section shall be considered to have been filed with the President or the President's designee for purposes of section 721(c) and § 802.802.

(d) Persons filing a declaration shall, during the time that the matter is pending before the Committee, promptly advise the Staff Chairperson of any material changes in plans, facts, or circumstances regarding the transaction, and any material change in information provided or required to be provided to the Committee under § 802.402.

Unless the Committee rejects the declaration on the basis of such material changes in accordance with § 802.404(a)(2)(i), such changes shall become part of the declaration filed by such persons under this section, and the certification required under § 802.403(d) shall apply to such changes.

(e) Parties to a transaction that have filed with the Committee a written notice regarding a transaction under § 802.501 or § 800.501 or a declaration under § 800.403 may not submit to the Committee a declaration regarding the same transaction or a substantially similar transaction without the written approval of the Staff Chairperson.

§ 802.402 Contents of declarations.

(a) The party or parties submitting a voluntary declaration of a transaction under § 802.401 shall provide the information set out in this section, which must be accurate and complete with respect to the party or parties filing the voluntary declaration and to the transaction. (See also paragraphs (d), (e), and (f) of this section.)

(b) Other than as provided under paragraph (f) of this section, if fewer than all the parties to a transaction submit a declaration, the Committee may, at its discretion, request that the parties to the transaction file a written notice of the transaction under § 802.501, if the Staff Chairperson determines that the information provided by the submitting party or parties in the declaration is insufficient for the Committee to assess the transaction.

(c) Subject to paragraph (e) of this section, a declaration submitted under § 802.401 shall describe or provide, as applicable:

(1) The name of the foreign person(s) and the current holder(s) of interest in the real estate that are parties to, or, in applicable cases, the subject of the transaction, as well as the name, telephone number, and email address of the primary point of contact for each party.

(2) The following information regarding the transaction in question:

(i) A brief description of the rationale for and nature of the transaction, including its structure (*e.g.*, purchase, lease, or concession) and term, whether

the foreign person is acquiring a collection of assets or interest in an entity, and whether it is part of a larger project undertaken by the foreign person;

(ii) The total transaction value in U.S. dollars;

(iii) The status of the transaction, including the actual or expected completion date of the transaction;

(iv) All sources of financing for the transaction and any real estate agents/brokers involved; and

(v) A copy of the definitive documentation of the transaction, such as a purchase, lease, or concession agreement, or if none exists, the document establishing the material terms of the transaction, which in the context of a transaction involving a covered port, must be signed and dated.

(3) The following information regarding the real estate that is the subject of the transaction:

(i) The location, by address and geographic coordinates in decimal degrees to the fourth digit, of the real estate that is the subject of the transaction;

(ii) The name(s) of and distance(s) to any covered port, military installation, or any other facility or property of the U.S. Government as identified in this part and that is relevant to CFIUS jurisdiction given the location of the real estate.

(iii) A description of the real estate that is the subject of the transaction including the approximate size (in acres, feet, or other appropriate measurement); nature of the real estate (*e.g.*, zoning type and the major topographical or other features of the real estate); and current use of the real estate including any physical security measures.

(iv) A description of the plans of the foreign person with respect to the real estate and structures that are or will be on the real estate; and

(v) A description of any leases, licenses, permits, easements, encumbrances, or other grants or approvals associated with the real estate, including whether any involve the U.S. Government.

(4) A statement as to whether the foreign person will have any of the following rights or abilities with respect

to the real estate as a result of the transaction:

(i) To physically access the real estate;

(ii) To exclude others from physically accessing the real estate;

(iii) To improve or develop the real estate; or

(iv) To attach fixed or immovable structures or objects to the real estate.

(5) The name of the ultimate parent of the foreign person.

(6) The address and principal place of business of the foreign person and its ultimate parent.

(7) A complete pre-transaction organizational chart (and post-transaction, if different) including, information that identifies the name, principal place of business, place of incorporation or other legal organization (for entities); nationality (for individuals); and ownership percentage (expressed in terms of both voting and economic interest, if different) for each of the following:

(i) The immediate parent, the ultimate parent, and each intermediate parent, if any, of each foreign person that is a party to the transaction;

(ii) Where the ultimate parent is a private company, the ultimate owner(s) of such parent; and

(iii) Where the ultimate parent is a public company, any shareholder with an interest of greater than five percent in such parent.

(8) Information regarding all foreign government ownership in the foreign person's ownership structure, including nationality and percentage of ownership, as well as any rights that a foreign government holds, directly or indirectly, with respect to the foreign person.

(9) With respect to the foreign person that is party to the transaction and any of its parents, as applicable, a brief summary of their respective business activities.

(10) A statement as to whether a party to the transaction is stipulating that the transaction is a covered real estate transaction and a description of the basis for the stipulation.

(11) A statement as to whether any party to the transaction has been party to another transaction previously notified or submitted to the Committee,

§ 802.403

31 CFR Ch. VIII (7–1–25 Edition)

and the case number assigned by the Committee regarding such transaction(s).

(12) A statement (including relevant jurisdiction and criminal case law number or legal citation) as to whether the holder of the real estate, the foreign person, any parent of the foreign person, or any person of which the foreign person is a parent, has been convicted in the last 10 years of a crime in any jurisdiction.

(d) Each party submitting a declaration shall provide a certification of the information contained in the declaration consistent with § 802.202. A sample certification may be found on the Committee's section of the Department of the Treasury website.

(e) A party that offers a stipulation under paragraph (c)(10) of this section acknowledges that the Committee and the President are entitled to rely on such stipulation in determining whether the transaction is a covered real estate transaction for the purposes of section 721 and all authorities thereunder, and waives the right to challenge any such determination. Neither the Committee nor the President is bound by any such stipulation, nor does any such stipulation limit the ability of the Committee or the President to act on any authority provided under section 721 with respect to any covered real estate transaction.

(f) In the case of a transaction where a U.S. public entity is a party to the transaction and is not submitting a declaration, the other party or parties to the transaction shall provide the information set out in this section with respect to itself and, to the extent known or reasonably available to it, with respect to the U.S. public entity.

§ 802.403 Beginning of 30-day assessment period.

(a) Upon receipt of a declaration submitted under § 802.401, the Staff Chairperson shall promptly inspect the declaration and shall promptly notify in writing all parties to a transaction that have submitted a declaration that:

(1) The Staff Chairperson has accepted the declaration and circulated the declaration to the Committee, and the date on which the assessment described

in paragraph (b) of this section begins; or

(2) The Staff Chairperson has determined not to accept the declaration and circulate the declaration to the Committee because the declaration is incomplete, and an explanation of the material respects in which the declaration is incomplete.

(b) A 30-day period for assessment of a transaction that is the subject of a declaration shall commence on the date on which the declaration is received by the Committee from the Staff Chairperson. Such period shall end no later than the thirtieth day after it has commenced, or if the thirtieth day is not a business day, no later than the next business day after the thirtieth day.

(c) During the 30-day assessment period, the Staff Chairperson may invite the parties to a covered real estate transaction to attend a meeting with the Committee staff to discuss and clarify issues pertaining to the transaction.

(d) If the Committee notifies the parties to a transaction that have submitted a declaration under § 802.401 that the Committee intends to conclude all action under section 721 with respect to that transaction, each party that has submitted additional information subsequent to the original declaration shall file a certification as described in § 802.202. A sample certification may be found on the Committee's section of the Department of the Treasury website.

(e) If a party fails to provide the certification required under paragraph (d) of this section, the Committee may, at its discretion, take any of the actions under § 802.405.

§ 802.404 Rejection, disposition, or withdrawal of declarations.

(a) The Committee, acting through the Staff Chairperson, may:

(1) Reject any declaration that does not comply with § 802.402 and so inform the parties promptly in writing;

(2) Reject any declaration at any time, and so inform the parties promptly in writing, if, after the declaration has been submitted and before the Committee has taken one of the actions specified in § 802.405:

(i) There is a material change in the covered real estate transaction as to which a declaration has been submitted; or

(ii) Information comes to light that contradicts material information provided in the declaration by the party (or parties); or

(3) Reject any declaration at any time after the declaration has been submitted, and so inform the parties promptly in writing, if the party (or parties) that submitted the declaration does not provide follow-up information requested by the Staff Chairperson within two business days of the request, or within a longer time frame if the party (or parties) so request in writing and the Staff Chairperson grants that request in writing.

(b) The Staff Chairperson shall notify the party (or parties) that submitted a declaration when the Committee has found that the transaction that is the subject of a declaration is not a covered real estate transaction.

(c) Parties to a transaction that have submitted a declaration under § 802.401 may request in writing, at any time prior to the Committee taking action under § 802.405, that such declaration be withdrawn. Such request shall be directed to the Staff Chairperson and shall state the reasons why the request is being made and state whether the transaction that is the subject of the declaration is being fully and permanently abandoned. An official of the Department of the Treasury will promptly advise the parties to the transaction in writing of the Committee's decision.

(d) The Committee may not request or recommend that a declaration be withdrawn and refiled, except to permit parties to a covered real estate transaction to correct material errors or omissions, or describe material changes to the transaction, in the declaration submitted with respect to that covered real estate transaction.

(e) A party (or parties) may not submit more than one declaration for the same or a substantially similar transaction without approval from the Staff Chairperson.

NOTE 1 TO § 802.404: See § 802.401(e) regarding the prohibition on submitting a declaration regarding the same transaction or a substan-

tially similar transaction for which a written notice has been filed, or a declaration submitted under part 800 of this chapter, without the approval of the Staff Chairperson.

§ 802.405 Committee actions.

(a) Upon receiving a declaration submitted under § 802.401 with respect to a covered real estate transaction, the Committee may, at the discretion of the Committee:

(1) If the Committee has reason to believe that the transaction may raise national security considerations, request that the parties to the transaction file a written notice under subpart E;

(2) Inform the parties to the transaction that the Committee is not able to conclude action under section 721 with respect to the transaction on the basis of the declaration and that the parties may file a written notice under subpart E to seek written notification from the Committee that the Committee has concluded all action under section 721 with respect to the transaction;

(3) Initiate a unilateral review of the transaction under § 802.501(c); or

(4) Notify the parties in writing that the Committee has concluded all action under section 721 with respect to the transaction.

(b) The Committee shall take action under paragraph (a) of this section within the time period set forth in § 802.403(b).

Subpart E—Notices

§ 802.501 Procedures for notices.

(a) Except as otherwise prohibited under paragraph (j) of this section, a party or parties to a proposed or completed transaction may file a voluntary notice of the transaction with the Committee. Voluntary notice to the Committee is filed by sending an electronic copy of the notice that includes, in English, the information set out in § 802.502, including the certification required under paragraph (h) of that section, and paying the fee required under subpart K of this part. For electronic submission instructions, see the Committee's section of the Department of the Treasury website.

(b)(1) If the Committee determines that a transaction for which no voluntary notice or declaration has been submitted under this part, and with respect to which the Committee has not informed the parties in writing that the Committee has concluded all action under section 721, may be a covered real estate transaction and may raise national security considerations, the Staff Chairperson, acting on the recommendation of the Committee, may request the parties to the transaction or other persons to provide to the Committee information necessary to determine whether the transaction is a covered real estate transaction or whether the transaction may raise national security considerations.

(2) If the Committee determines that a transaction referred to under paragraph (b)(1) of this section is a covered real estate transaction and may raise national security considerations, the Staff Chairperson, acting on the recommendation of the Committee, may request the parties to file a notice of such covered real estate transaction under paragraph (a) of this section.

(c) With respect to any covered real estate transaction:

(1) Any member of the Committee, or his or her designee at or above the Under Secretary or equivalent level, may, subject to paragraph (c)(2) of this section, file an agency notice to the Committee through the Staff Chairperson regarding a transaction if:

(i) That member has reason to believe that the transaction is a covered real estate transaction and may raise national security considerations and:

(A) The Committee has not informed the parties to such transaction in writing that the Committee has concluded all action under section 721 with respect to such transaction; and

(B) The President has not announced a decision not to exercise the President's authority under section 721(d) with respect to such transaction; or

(ii) The transaction is a covered real estate transaction and:

(A) The Committee has informed the parties to such transaction in writing that the Committee has concluded all action under section 721 with respect to such transaction or determined that such transaction is not a covered real

estate transaction, or the President has announced a decision not to exercise the President's authority under section 721(d) with respect to such transaction; and

(B) Either:

(1) A party to such transaction submitted false or misleading material information to the Committee in connection with the Committee's consideration of such transaction or omitted material information, including material documents, from information submitted to the Committee; or

(2) A party to such transaction breaches a mitigation agreement or condition described in section 721(1)(3)(A), such breach is certified to the Committee by the lead department or agency monitoring and enforcing such agreement or condition as a material breach, and the Committee determines that there are no other adequate and appropriate remedies or enforcement tools available to address such breach.

(2)(i) That is a transaction where a foreign person is not an excepted real estate investor due to the application of § 802.215(d), any member of the Committee, or his or her designee at or above the Under Secretary or equivalent level, may file an agency notice to the Committee through the Staff Chairperson regarding such transaction if:

(A) That member has reason to believe that the transaction is a covered real estate transaction and may raise national security considerations;

(B) The Committee has not informed the parties to such transaction in writing that the Committee has concluded all action under section 721 with respect to such transaction; and

(C) The President has not announced a decision not to exercise the President's authority under section 721(d) with respect to such transaction.

(ii) No notice filed under this paragraph (c)(2) shall be made with respect to a transaction more than one year after the completion date of the transaction, unless the Chairperson of the Committee determines, in consultation with other members of the Committee, that because the foreign person no longer meets all the criteria set forth in § 802.215(a)(1) or (2), (a)(3)(i) through

(iii), or (c)(1)(i) through (iii), the transaction may threaten to impair the national security of the United States, and in no event shall an agency notice under this paragraph be made with respect to such a transaction more than three years after the completion date of the transaction.

(d) Notices filed under paragraph (c) of this section are deemed accepted upon their receipt by the Staff Chairperson. No agency notice under paragraph (c)(1) of this section shall be made with respect to a real estate transaction more than three years after the completion date of the transaction, unless the Chairperson of the Committee, in consultation with other members of the Committee, files such an agency notice.

(e) No communications other than those described in paragraphs (a) and (c) of this section shall constitute the filing or submitting of a notice for purposes of section 721.

(f) Upon receipt of the electronic copy of a notice filed under paragraph (a) of this section, including the certification required by § 802.502(h), and payment of the fee required under subpart K of this part, the Staff Chairperson shall promptly inspect such notice for completeness.

(g) Parties to a transaction are encouraged to consult with the Committee in advance of filing a notice and, in appropriate cases, to file with the Committee a draft notice or other appropriate documents to aid the Committee's understanding of the transaction and to provide an opportunity for the Committee to request additional information to be included in the notice. Any such pre-notice consultation should take place, or any draft notice should be provided, at least five business days before the filing of a voluntary notice. All information and documentary material made available to the Committee under this paragraph shall be considered to have been filed with the President or the President's designee for purposes of section 721(c) and § 802.802.

(h) Information and other documentary material provided by any party to the Committee after the filing of a voluntary notice under this section shall be part of the notice, and shall be sub-

ject to the final certification required under § 802.502(1).

(i) For any voluntarily submitted draft or formal written notice that includes a stipulation under section § 802.502(j) that a transaction is a covered real estate transaction, the Committee shall provide comments on the draft or formal written notice or accept the formal written notice of a covered real estate transaction not later than the date that is 10 business days after the date of submission of the draft or formal written notice.

(j) No party to a transaction may file a notice under paragraph (a) of this section if the transaction has been the subject of a declaration submitted under subpart D and the Committee has not yet taken any action with respect to the transaction under § 802.405.

[85 FR 3166, Jan. 17, 2020, as amended at 85 FR 23742, Apr. 29, 2020; 89 FR 93185, Nov. 26, 2024]

§ 802.502 Contents of voluntary notices.

(a) If a party or the parties to a transaction file a voluntary notice, they shall provide in detail the information set out in this section, which must be accurate and complete with respect to the party or parties filing the voluntary notice and to the transaction. (See also paragraph (k) of this section regarding U.S. public entities and paragraph (h) of this section and § 802.202 regarding certification requirements.)

(b) A voluntary notice filed under § 802.501 shall describe or provide, as applicable:

(1) The following information regarding the transaction in question:

(i) A summary setting forth the essentials of the transaction, including a statement of the purpose of the transaction, its scope, both within and outside of the United States, as applicable, whether the foreign person is acquiring a collection of assets or interest in an entity, and the extent to which it is part of a larger project undertaken by the foreign person;

(ii) The nature of the transaction, for example, whether the transaction involves a purchase, lease, or concession of real estate and the term, if any;

(iii) The name, United States address (if any), website address (if any), nationality (for individuals) or place of incorporation or other legal organization (for entities), and address of the principal place of business of each foreign person that is a party to the transaction;

(iv) The name, address, website address (if any), principal place of business, and place of incorporation or other legal organization of the current holder of interest in the real estate that is the subject of the transaction;

(v) In the case that a U.S. public entity is a party to the covered real estate transaction, the name, telephone number, and email address of the primary point of contact for the U.S. public entity;

(vi) The name, address, and nationality (for individuals) or place of incorporation or other legal organization (for entities) of:

(A) The immediate parent, the ultimate parent, and each intermediate parent, if any, of the foreign person that is a party to the transaction;

(B) Where the ultimate parent is a private company, the ultimate owner(s) of such parent; and

(C) Where the ultimate parent is a public company, any shareholder with an interest of greater than five percent in such parent;

(vii) The name, address, website address (if any), and nationality (for individuals) or place of incorporation or other legal organization (for entities) of the foreign person or foreign persons that will be afforded property rights with respect to the real estate that is the subject of the covered real estate transaction;

(viii) The actual or expected completion date of the transaction;

(ix)(A) The value of the transaction in U.S. dollars, as determined under § 802.1103, and the parties' assessment of the applicable fee due under § 802.1101, including an explanation of the methodology used to determine such valuation and applicable fee; and

(B) If different than the value of the transaction provided in paragraph (b)(1)(ix)(A) of this section, a good faith approximation of the fair market value of the interest acquired in the covered

real estate in U.S. dollars, as of the date of the notice.

(x) The name of any and all financial institutions and real estate agents/brokers involved in the transaction, including as advisors, underwriters, or sources of financing for the transaction;

(xi) A copy of the definitive documentation of the transaction, such as a purchase, lease, or concession agreement, or if none exists, the document establishing the material terms of the transaction, which in the context of a transaction involving a covered port, must be signed and dated;

(xii) Whether the foreign person will have any of the following rights or abilities with respect to the real estate as a result of the transaction and any additional information regarding such property rights:

(A) To physically access the real estate;

(B) To exclude others from physically accessing the real estate;

(C) To improve or develop the real estate; or

(D) To attach fixed or immovable structures or objects to the real estate.

(2) A detailed description of real estate that is the subject of the transaction, including as applicable:

(i) The location, by address and geographic coordinates in decimal degrees to the 4th digit, of the real estate that is the subject of the covered real estate transaction;

(ii) A description of the real estate that is the subject of the covered real estate transaction including the approximate size (in acres, feet, or other appropriate measurement); nature of the real estate (*e.g.*, zoning type and the major topographical or other features of the real estate); current use of the real estate; and structures that are or will be on the real estate;

(iii) A description of any leases, licenses, permits, easements, encumbrances, or other grants or approvals associated with the real estate, including whether any involve the U.S. Government, as well as any feasibility studies conducted with respect to the real estate; and

(iv) The name(s) of and distance(s) to any relevant covered port, military installation, or any other facility or

property of the U.S. Government as identified in this part, and that is relevant to CFIUS jurisdiction given the location of the real estate that is the subject of the transaction.

(3) With respect to the foreign person engaged in the transaction and its parents:

(i) A description of the business or businesses of the foreign person and its ultimate parent, and the CAGE codes, NAICS codes, and DUNS numbers, if any, for such businesses;

(ii) The plans of the foreign person for the real estate with respect to:

(A) Use and development of the real estate;

(B) Changing the nature of the real estate including building new structures or removing or altering current structures, including the anticipated dimensions and any physical security measures employed at the real estate; and

(C) Assigning, modifying, or terminating any leases, licenses, permits, easements, encumbrances, or other grants or approvals referred to in paragraph (b)(2)(iii) of this section;

(iii) Whether the foreign person is controlled by or acting on behalf of a foreign government, including as an agent or representative, or in some similar capacity, and if so, the identity of the foreign government;

(iv) Whether a foreign government or a person controlled by or acting on behalf of a foreign government:

(A) Has or controls property rights or has or controls ownership interests, including contingent equity interest, of the foreign person that is a party to the transaction or any parent of the foreign person, and if so, the nature and amount of any such interests, and with regard to contingent equity interest, the terms and timing of conversion;

(B) Has the right or power to appoint any of the principal officers or the members of the board of directors (including other persons who perform the duties usually associated with such titles) of the foreign person that is a party to the transaction or any parent of that foreign person;

(C) Holds any other contingent interest (for example, such as might arise from a lending transaction) in the for-

eign person that is a party to the transaction and, if so, the rights that are covered by this contingent interest, and the manner in which they would be enforced; or

(D) Has any other affirmative or negative rights or powers with respect to control over the foreign person engaged in the transaction, and if there are any such rights or powers, their source (for example, a "golden share," shareholders agreement, contract, statute, or regulation) and the mechanics of their operation;

(v) Any formal or informal arrangements among foreign persons that hold an ownership interest in any foreign person that is a party to the transaction or between such foreign person and other foreign persons to act in concert on particular matters affecting the real estate that is the subject of the transaction, and provide a copy of any documents that establish those rights or describe those arrangements;

(vi) For each member of the board of directors or equivalent governing body (including external directors and other persons who perform duties usually associated with such titles) and officers (including president, senior vice president, executive vice president, and other persons who perform duties normally associated with such titles) of the foreign person engaged in the transaction and its immediate, intermediate, and ultimate parents, and for any individual having an ownership interest of five percent or more in the foreign person engaged in the transaction and in the foreign person's ultimate parent, the following information:

(A) A curriculum vitae or similar professional synopsis, provided as part of the main notice, and

(B) The following "personal identifier information," which, for privacy reasons, and to ensure limited distribution, shall be set forth in a separate document, not in the main notice:

(1) Full name (last, first, middle name);

(2) All other names and aliases used;

(3) Business address;

(4) Country and city of residence;

(5) Date of birth, in the format MM/DD/YYYY;

(6) Place of birth;

(7) U.S. Social Security number (where applicable);

(8) National identity number, including nationality, date and place of issuance, and expiration date (where applicable);

(9) U.S. or foreign passport number (if more than one, all must be fully disclosed), nationality, date and place of issuance, and expiration date and, if a U.S. visa holder, the visa type and number, date and place of issuance, and expiration date; and

(10) Dates and nature of foreign government and foreign military service (where applicable), other than military service at a rank below the top two non-commissioned ranks of the relevant foreign country; and

(vii) The following “business identifier information” for the immediate, intermediate, and ultimate parents of the foreign person engaged in the transaction, including their main offices and branches:

(A) Business name, including all names under which the business is known to be or has been doing business;

(B) Business address;

(C) Business phone number, website address, and email address; and

(D) Employer identification number or other domestic tax or corporate identification number.

(c) The voluntary notice shall list any filings with, or reports to, agencies of the U.S. Government that have been or will be made with respect to the transaction prior to its completion, indicating the agencies concerned, the nature of the filing or report, the date on which it was filed or the estimated date by which it will be filed, and a relevant contact point and/or telephone number within the agency, if known.

(d) In the case of the establishment of a joint venture in which one or more of the parties is contributing covered real estate, information for the voluntary notice shall be prepared on the assumption that the foreign person that is party to the joint venture has made a purchase or lease, or been granted a concession to, the covered real estate that the other party to the joint venture is contributing or transferring to the joint venture. The voluntary notice shall describe the name

and address of the joint venture and the entities that established, or are establishing, the joint venture.

(e) Parties filing a voluntary notice shall, during the time that the matter is pending before the Committee or the President, promptly advise the Staff Chairperson of any material changes in plans, facts and circumstances addressed in the notice, and information provided or required to be provided to the Committee under this section, and shall file amendments to the notice to reflect such material changes. Such amendments shall become part of the notice filed by such persons under § 802.501, and the certifications required under paragraphs (h) and (l) of this section shall apply to such amendments.

(f) Parties filing a voluntary notice shall include:

(1) A complete pre-transaction organizational chart (and post-transaction, if different) including, information that identifies the name, principal place of business, and place of incorporation or other legal organization (for entities); nationality (for individuals); and ownership percentage (expressed in terms of both voting and economic interest, if different) for each of the following:

(i) The immediate parent, the ultimate parent, and each intermediate parent, if any, of each foreign person that is a party to the transaction;

(ii) Where the ultimate parent is a private company, the ultimate owner(s) of such parent; and

(iii) Where the ultimate parent is a public company, any shareholder with an interest of greater than five percent in such parent.

(2) The opinion of the person regarding whether:

(i) It is a foreign person;

(ii) It is controlled by a foreign government; and

(iii) The transaction has resulted or could result in a foreign person being afforded property rights with respect to covered real estate, and the reasons for its view, focusing in particular on any powers (for example, by virtue of an agreement, statute, or regulation) that the foreign person will have with regard to the covered real estate, and how those powers can or will be exercised.

(g) Parties filing a voluntary notice shall include information as to whether:

(1) Any party to the transaction is, or has been, a party to a mitigation agreement entered into or condition imposed under section 721, and if so, shall specify the date and purpose of such agreement or condition and the U.S. Government signatories; and

(2) Any party to the transaction (including such party's parents, subsidiaries, or entities under common control with the party) has been a party to a transaction previously notified to the Committee.

(h) Each party filing a voluntary notice shall provide a certification of the notice consistent with §802.202. A sample certification may be found on the Committee's section of the Department of the Treasury website.

(i) Parties filing a voluntary notice shall include with the notice a list identifying each document provided as part of the notice, including all documents provided as attachments or exhibits to the narrative response.

(j) A party filing a voluntary notice may stipulate that the transaction is a covered real estate transaction. A stipulation offered by any party under this section must be accompanied by a detailed description of the basis for the stipulation. A party that offers such a stipulation acknowledges that the Committee and the President are entitled to rely on such stipulation in determining whether the transaction is a covered real estate transaction for the purposes of section 721 and all authorities thereunder, and waives the right to challenge any such determination. Neither the Committee nor the President is bound by any such stipulation, nor does any such stipulation limit the ability of the Committee or the President to act on any authority provided under section 721 with respect to any covered real estate transaction.

(k) In the case of a transaction where a U.S. public entity is a party to the transaction, the notifying party or parties may be the non-U.S. public entity. Each notifying party shall provide the information set out in this section with respect to itself and, to the extent known or reasonably available to it, with respect to the U.S. public entity.

(l) At the conclusion of a review or investigation, each party that has filed additional information subsequent to the original notice shall file a final certification. (See §802.202.) A sample certification may be found at the Committee's section of the Department of the Treasury website.

[85 FR 3166, Jan. 17, 2020, as amended at 85 FR 23742, Apr. 29, 2020]

§ 802.503 Beginning of 45-day review period.

(a) The Staff Chairperson shall accept a voluntary notice the next business day after the Staff Chairperson has:

(1) Determined that the notice complies with §802.502;

(2) Confirmed that the applicable fee required under subpart K of this part has been received by the Department of the Treasury, or waived; and

(3) Disseminated the notice to all members of the Committee.

(b) A 45-day period for review of a transaction shall commence on the date on which the voluntary notice has been accepted, agency notice has been received by the Staff Chairperson, or the Chairperson of the Committee has requested a notice under §802.501(b). Such review shall end no later than the forty-fifth day after it has commenced, or if the forty-fifth day is not a business day, no later than the next business day after the forty-fifth day.

(c) The Staff Chairperson shall promptly advise in writing all parties to a transaction that have filed a voluntary notice of:

(1) The acceptance of the notice;

(2) The date on which the review begins; and

(3) The designation of any lead agency or agencies.

(d) Within two business days after receipt of an agency notice by the Staff Chairperson, the Staff Chairperson shall send written advice of such notice to the parties to the transaction that is subject to the notice. Such written advice shall identify the date on which the review began.

(e) The Staff Chairperson shall promptly circulate to all Committee members any draft pre-filing notice,

§ 802.504

31 CFR Ch. VIII (7–1–25 Edition)

any agency notice, any complete notice, and any subsequent information filed by the parties.

[85 FR 3166, Jan. 17, 2020, as amended at 85 FR 23742, Apr. 29, 2020]

§ 802.504 Deferral, rejection, or disposition of certain voluntary notices.

(a) The Committee, acting through the Staff Chairperson, may:

(1) Reject any voluntary notice that does not comply with § 802.501 or § 802.502 and so inform the parties promptly in writing;

(2) Reject any voluntary notice at any time, and so inform the parties promptly in writing, if, after the notice has been submitted and before action by the Committee or the President has been concluded:

(i) There is a material change in the transaction as to which notification has been made; or

(ii) Information comes to light that contradicts material information provided in the notice by the parties;

(3) Reject any voluntary notice at any time upon determining that the filing fee paid by the parties was insufficient under subpart K of this part, subject to § 802.1108;

(4) Reject any voluntary notice at any time after the notice has been accepted, and so inform the parties promptly in writing, if the party or parties that have submitted the voluntary notice do not provide follow-up information requested by the Staff Chairperson within three business days of the request, or within a longer time frame if the parties so request in writing and the Staff Chairperson grants that request in writing;

(5) Reject any voluntary notice before the conclusion of a review or investigation, and so inform the parties promptly in writing, if one of the parties submitting the voluntary notice has not submitted the final certification required by § 802.502(1); or

(6) Reject any voluntary notice at any time after the notice has been accepted, and so inform the parties promptly in writing, if the Committee has proposed risk mitigation terms, including revisions to such terms, and if the Staff Chairperson has imposed a time frame for responding to such

terms as set forth in paragraph (d) of this section, to the party or parties that submitted the notice and the party or parties have failed to substantively respond to such terms within the time frame specified.

(b) Notwithstanding the authority of the Staff Chairperson under paragraph (a) of this section to reject an incomplete notice, the Staff Chairperson may defer acceptance of the notice, and the beginning of the review period specified by § 802.503, to obtain any information required under this section that has not been submitted by the notifying party or parties or other parties to the transaction. Where necessary to obtain such information, the Staff Chairperson may inform any non-notifying party or parties that notice has been filed with respect to a transaction involving the party, and request that certain information required under this section, as specified by the Staff Chairperson, be provided to the Committee within seven days after receipt of the Staff Chairperson's request.

(c) The Staff Chairperson shall notify the parties when the Committee has found that the transaction that is the subject of a voluntary notice is not a covered real estate transaction.

(d) The Staff Chairperson may impose a time frame of no fewer than three business days for the party or parties to provide a substantive response to proposed risk mitigation terms, including revisions to such terms. The time frame may be extended if the parties so request in writing and the Staff Chairperson grants that request in writing. In determining whether to impose such a time frame, the Staff Chairperson may consider:

(1) The statutory deadline for completing an investigation under section 721(b)(2)(C)(i);

(2) The risk to the national security of the United States arising from the transaction;

(3) The party's or parties' responsiveness to the Committee;

(4) The nature of the transaction;

(5) The appropriateness of suspending, or imposing conditions on, the transaction under section 721(l); and

(6) Other such factors the Staff Chairperson may determine to be appropriate in connection with a specific transaction.

(e) Example: The Staff Chairperson receives a joint notice from Corporation A, a foreign person, and Corporation X, a company that is selling covered real estate. The joint notice does not contain any information described under § 802.502 concerning the nature of the real estate. The Staff Chairperson may reject the notice or defer the start of the review period until the parties have supplied the omitted information.

[85 FR 3166, Jan. 17, 2020, as amended at 85 FR 23742, Apr. 29, 2020; 89 FR 93186, Nov. 26, 2024]

§ 802.505 Determination of whether to undertake an investigation.

(a) After a review of a notified transaction under § 802.503, the Committee shall undertake an investigation of any transaction that it has determined to be a covered real estate transaction if:

(1) A member of the Committee (other than a member designated as ex officio under section 721(k)) advises the Staff Chairperson that the member believes that the transaction threatens to impair the national security of the United States and that the threat has not been mitigated; or

(2) The lead agency recommends, and the Committee concurs, that an investigation be undertaken.

(b) The Committee shall also undertake, after a review of a covered real estate transaction under § 802.503, an investigation to determine the effects on national security of any covered real estate transaction that would result in control by a foreign person of critical infrastructure, as defined in § 800.214 of this title, of or within the United States, if the Committee determines that the transaction could impair the national security and such impairment has not been mitigated.

(c) The Committee shall undertake an investigation as described in paragraph (b) of this section unless the Chairperson of the Committee (or the Deputy Secretary of the Treasury) and the head of any lead agency (or his or her delegatee at the deputy level or equivalent) designated by the Chairperson determine on the basis of the re-

view that the covered real estate transaction will not impair the national security of the United States.

§ 802.506 Determination not to undertake an investigation.

If the Committee determines, during the review period described in § 802.503, not to undertake an investigation of a notified covered real estate transaction, action under section 721 shall be concluded. An official at the Department of the Treasury shall promptly inform the parties to a covered real estate transaction in writing of a determination of the Committee not to undertake an investigation and to conclude action under section 721.

§ 802.507 Commencement of investigation.

(a) If it is determined that an investigation should be undertaken, such investigation shall commence no later than the end of the review period described in § 802.503.

(b) An official of the Department of the Treasury shall promptly inform the parties to a covered real estate transaction in writing of the commencement of an investigation.

§ 802.508 Completion or termination of investigation and report to the President.

(a) Subject to paragraph (e) of this section, the Committee shall complete an investigation no later than the forty-fifth day after the date the investigation commences, or, if the forty-fifth day is not a business day, no later than the next business day after the forty-fifth day.

(b) Upon completion or termination of any investigation, the Committee shall send a report to the President requesting the President's decision if:

(1) The Committee recommends that the President suspend or prohibit the transaction;

(2) The Committee is unable to reach a decision on whether to recommend that the President suspend or prohibit the transaction; or

(3) The Committee requests that the President make a determination with regard to the transaction.

(c) In circumstances when the Committee sends a report to the President

requesting the President's decision with respect to a covered real estate transaction, such report shall include information relevant to sections 721(d)(4)(A) and (B), and shall present the Committee's recommendation. If the Committee is unable to reach a decision to present a single recommendation to the President, the Chairperson of the Committee shall submit a report of the Committee to the President setting forth the differing views and presenting the issues for decision.

(d) Upon completion or termination of an investigation, if the Committee determines to conclude all deliberative action under section 721 with regard to a notified covered real estate transaction without sending a report to the President, action under section 721 shall be concluded. An official at the Department of the Treasury shall promptly advise the parties to such a transaction in writing of a determination to conclude action.

(e) In extraordinary circumstances, the Chairperson may, upon a written request signed by the head of a lead agency, extend an investigation for one 15-day period. A request to extend an investigation must describe, with particularity, the extraordinary circumstances that warrant the Chairperson extending the investigation. The authority of the head of a lead agency to request the extension of an investigation may not be delegated to any person other than the deputy head (or equivalent thereof) of the lead agency. If the Chairperson extends an investigation under this paragraph with respect to a covered real estate transaction, the Committee shall promptly notify the parties to the transaction of the extension.

(f) For purposes of paragraph (e) of this section, the term *extraordinary circumstances* means circumstances for which extending an investigation is necessary and the appropriate course of action, in the Chairperson's discretion, due to a force majeure event or to protect the national security of the United States.

§ 802.509 Withdrawal of notices.

(a) A party (or parties) to a transaction that has filed notice under § 802.501(a) may request in writing, at

any time prior to conclusion of all action under section 721, that such notice be withdrawn. Such request shall be directed to the Staff Chairperson and shall state the reasons why the request is being made. Such requests will ordinarily be granted, unless otherwise determined by the Committee. An official of the Department of the Treasury will promptly advise the parties to the transaction in writing of the Committee's decision.

(b) Any request to withdraw an agency notice by the agency that filed it shall be in writing and shall be effective only upon approval by the Committee. An official of the Department of the Treasury shall advise the parties to the transaction in writing of the Committee's decision to approve the withdrawal request within two business days of the Committee's decision.

(c) In any case where a request to withdraw a notice is granted under paragraph (a) of this section:

(1) The Staff Chairperson, in consultation with the Committee, shall establish, as appropriate:

(i) A process for tracking actions that may be taken by any party to the covered real estate transaction before a notice is refiled under § 802.501; and

(ii) Interim protections to address specific national security concerns with the covered real estate transaction identified during the review or investigation of the covered real estate transaction.

(2) The Staff Chairperson shall specify a time frame, as appropriate, for the parties to resubmit a notice and shall advise the parties of that time frame in writing.

(d) A notice of a transaction that is submitted under paragraph (c)(2) of this section shall be deemed a new notice for purposes of the regulations in this part, including § 802.701.

Subpart F—Committee Procedures

§ 802.601 General.

(a) In any assessment, review, or investigation of a covered real estate transaction, the Committee should consider the factors specified in section 721(f), as applicable, and, as appropriate, require the parties to provide to

the Committee the information necessary to consider such factors. The Committee's assessment, review, or investigation (if necessary) shall examine, as appropriate, whether:

(1) The transaction is a covered real estate transaction;

(2) There is credible evidence to support a belief that any foreign person party to a covered real estate transaction might take action that threatens to impair the national security of the United States; and

(3) Provisions of law, other than section 721 and the International Emergency Economic Powers Act, provide adequate and appropriate authority to protect the national security of the United States.

(b) During an assessment, review, or investigation, the Staff Chairperson may invite the parties to a notified transaction to attend a meeting with the Committee staff to discuss and clarify issues pertaining to the transaction. During an investigation, a party to the transaction under investigation may request a meeting with the Committee staff; such a request ordinarily will be granted.

(c) The Staff Chairperson shall be the point of contact for receiving material filed with the Committee, including notices and declarations.

(d) Where more than one lead agency is designated, communications on material matters between a party to the transaction and a lead agency shall include all lead agencies designated with regard to those matters.

(e) The parties' description of a transaction in a declaration or notice does not limit the ability of the Committee to, as appropriate, assess, review, or investigate, or exercise any other authorities available under section 721 with respect to any covered real estate transaction that the Committee identifies as having been notified to the Committee based upon the facts set forth in the declaration or notice, any additional information provided to the Committee subsequent to the original declaration or notice, or any other information available to the Committee.

§ 802.602 Role of the Secretary of Labor.

In response to a request from the Chairperson of the Committee, the Secretary of Labor shall identify for the Committee any risk mitigation provisions proposed to or by the Committee that would violate U.S. employment laws or require a party to violate U.S. employment laws. The Secretary of Labor shall serve no policy role on the Committee.

§ 802.603 Materiality.

The Committee generally will not consider as material minor inaccuracies, omissions, or changes relating to financial or commercial factors not having a bearing on national security.

§ 802.604 Tolling of deadlines during lapse in appropriations.

Any deadline or time limitation under subparts D or E imposed on the Committee shall be tolled during a lapse in appropriations.

Subpart G—Finality of Action

§ 802.701 Finality of actions under section 721.

All authority available to the President or the Committee under section 721(d), including divestment authority, shall remain available at the discretion of the President with respect to any covered real estate transaction. Subject to § 802.501(c)(1)(ii), such authority shall not be exercised if:

(a) The Committee, through its Staff Chairperson, has advised a party (or the parties) in writing that a particular transaction with respect to which a voluntary notice or a declaration has been filed is not a covered real estate transaction;

(b) The parties to the transaction have been advised in writing under § 802.405(a)(4), § 802.506, or § 802.508(d) that the Committee has concluded all action under section 721 with respect to the covered real estate transaction; or

(c) The President has previously announced, under section 721(d), his or her decision not to exercise his or her authority under section 721 with respect to the covered real estate transaction.

Subpart H—Provision and Handling of Information

§ 802.801 Obligation of parties or other persons to provide information.

(a) This paragraph (a) sets forth requirements for parties to a transaction or other persons to provide information to the Staff Chairperson or requesting lead agency in the circumstances specified in paragraphs (a)(1) through (6) of this section.

(1) Parties to a transaction that is notified or declared under subpart D or E of this part shall provide information to the Staff Chairperson that will enable the Committee to conduct a full assessment, review, and/or investigation of the transaction.

(2) For a transaction for which no voluntary notice or declaration has been submitted and for which the Staff Chairperson has requested information as provided for in § 802.501(b), parties to the transaction or other persons shall provide information to the Staff Chairperson that will enable the Committee to determine whether the transaction is a covered real estate transaction or whether the transaction may raise national security considerations.

(3) Independent of any obligations under an agreement, condition, or order authorized under section 721(l), parties shall provide information to the Staff Chairperson or the requesting lead agency so as to enable the Committee to assess compliance with section 721 and the regulations in this part or to monitor compliance with, enforce or modify the terms of, or decide to terminate any agreement entered into, condition imposed, or order issued.

(4) Any person that has submitted information to the Committee shall respond to requests from the Staff Chairperson for information to enable the Committee to determine whether the party made any material misstatement or omitted material information from any such submission.

(5) Parties to a transaction that have filed information with the Committee shall promptly advise the Staff Chairperson of any material changes to such information.

(6) If deemed appropriate by the Committee, the Staff Chairperson may obtain information from parties to a

transaction or other persons through subpoena or otherwise, under the Defense Production Act, as amended (50 U.S.C. 4555(a)).

(b) Documentary materials or information required or requested to be filed with the Committee under this part shall be submitted in English. Supplementary materials written in a foreign language shall be submitted in certified English translation.

(c) Any information filed with the Committee in connection with any action for which a report is required under section 721(1)(6)(B) with respect to the implementation of a mitigation agreement or condition described in section 721(1)(3)(A) shall be accompanied by a certification that complies with the requirements of section 721(n) and § 802.202. A sample certification may be found at the Committee's section of the Department of the Treasury website.

[85 FR 3166, Jan. 17, 2020, as amended at 89 FR 93186, Nov. 26, 2024]

§ 802.802 Confidentiality.

(a) Except as provided in paragraph (b) of this section, any information or documentary material submitted or filed with the Committee under this part, including information or documentary material filed under § 802.501(g), shall be exempt from disclosure under the Freedom of Information Act, as amended (5 U.S.C. 552 *et seq.*), and no such information or documentary material may be made public.

(b) Paragraph (a) of this section shall not prohibit disclosure of the following:

(1) Information relevant to any administrative or judicial action or proceeding;

(2) Information to Congress or to any duly authorized committee or subcommittee of Congress;

(3) Information important to the national security analysis or actions of the Committee to any domestic governmental entity, or to any foreign governmental entity of a United States ally or partner, under the exclusive direction and authorization of the Chairperson, only to the extent necessary for national security purposes, and subject to appropriate confidentiality and classification requirements; or

(4) Information that the parties have consented to be disclosed to third parties;

(c) This section shall continue to apply with respect to information and documentary material submitted or filed with the Committee in any case where:

(1) Action has concluded under section 721 concerning a notified transaction;

(2) A request to withdraw a notice or a declaration is granted under § 802.509 or § 802.404(c), respectively, or where a notice or a declaration has been rejected under § 802.504(a) or § 802.404(a), respectively;

(3) The Committee determines that a notified or declared transaction is not a covered real estate transaction; or

(4) Such information or documentary material was filed under subpart D and the parties do not subsequently file a notice under subpart E.

(d) Nothing in paragraph (a) of this section shall be interpreted to prohibit the public disclosure by a party of documentary material or information that it has submitted or filed with the Committee. Any such documentary material or information so disclosed may subsequently be reflected in the public statements of the Chairperson, who is authorized to communicate with the public and the Congress on behalf of the Committee, or of the Chairperson's designee.

(e) The provisions of the Defense Production Act Reauthorization of 2003, as amended (50 U.S.C. 4555(d)) relating to fines and imprisonment shall apply with respect to the disclosure of information or documentary material filed with the Committee under these regulations.

Subpart I—Penalties and Damages

§ 802.901 Penalties and damages.

(a)(1) Any person who submits a declaration or notice with a material misstatement or omission or makes a false certification under § 802.402, § 802.403, or § 802.502 may be liable to the United States for a civil penalty not to exceed \$5,000,000 per violation.

(2) Any person who, in response to a request from the Staff Chairperson or a

lead agency, submits to the Committee any information pursuant to § 802.801(a)(2), (3), or (4) or (c), with a material misstatement or omission may be liable to the United States for a civil penalty not to exceed \$5,000,000 per violation. This paragraph (a)(2) shall apply only with respect to responses to requests that were made in writing, specified a time frame for response, and indicated the applicability of this paragraph (a).

(3) The amount of the penalty imposed for a violation as provided for in this paragraph (a) shall be based on the nature of the violation.

(b)(1) Any person who violates a material provision of a mitigation agreement entered into on or after February 13, 2020, and before December 26, 2024, with, a material condition imposed on or after February 13, 2020, and before December 26, 2024, by, or an order issued on or after February 13, 2020, and before December 26, 2024, by, the United States under section 721(l) may be liable to the United States for a civil penalty per violation not to exceed \$250,000 or the value of the transaction, whichever is greater. For clarification, under the previous sentence, whichever penalty amount is greater may be imposed per violation, and the amount of the penalty imposed for a violation shall be based on the nature of the violation.

(2)(i) Any person who violates a material provision of a mitigation agreement entered into on or after December 26, 2024, with, a material condition imposed on or after December 26, 2024, by, or an order issued on or after December 26, 2024, by, the United States under section 721(l) may be liable to the United States for a civil penalty per violation not to exceed the greatest of:

(A) \$5,000,000;

(B) The value of the person's interest in the covered real estate (or, as applicable, the owner of the covered real estate) at the time of the transaction;

(C) The value of the person's interest in the covered real estate (or, as applicable, the owner of the covered real estate) at the time of the violation in question or the most proximate time to the violation for which assessing such value is practicable; or

(D) The value of the transaction filed with the Committee.

(ii) For clarification, under paragraphs (b)(2)(i)(A) through (D) of this section, whichever penalty amount is greatest may be imposed per violation, and the amount of the penalty imposed for a violation shall be based on the nature of the violation.

(c) A mitigation agreement entered into or amended under section 721(l) may include a provision providing for liquidated or actual damages for breaches of the agreement. The mitigation agreement shall specify the amount of any liquidated damages that are a reasonable assessment of the harm to the national security that could result from a breach of the agreement. Any mitigation agreement containing a liquidated damages provision shall include a provision specifying that the Committee may consider the severity of the breach in deciding whether to seek a lesser amount than that stipulated in the agreement.

(d) A determination to impose penalties under paragraph (a) or (b) of this section must be made by the Committee. Notice of the penalty, including a written explanation of the conduct to be penalized and the amount of the penalty, shall be sent to the subject person electronically and by U.S. mail or courier service. Notice shall be deemed to have been effected by the earlier of the date of electronic transmission and the date of receipt of U.S. mail or courier service. For the purposes of this section, the term *subject person* means the person or persons who may be liable to the United States for a civil penalty.

(e) Upon receiving notice of a penalty to be imposed under any of paragraphs (a) through (c) of this section, the subject person may, within 20 business days of receipt of such notice, submit a petition for reconsideration to the Staff Chairperson, including a defense, justification, or explanation for the conduct to be penalized. The Committee will review the petition and issue any final penalty determination within 20 business days of receipt of the petition. The Staff Chairperson and the subject person may extend either such period through written agreement or, where there is a compelling cir-

cumstance and if it is deemed appropriate by the Committee, the Staff Chairperson may extend either period by notifying the subject person in writing of the extended time frame. The Committee and the subject person may reach an agreement on an appropriate remedy at any time before the Committee issues any final penalty determination.

(f) The penalties and damages authorized in paragraphs (a) through (c) of this section may be recovered in a civil action brought by the United States in federal district court.

(g) Section 2 of the False Statements Accountability Act of 1996, as amended (18 U.S.C. 1001), shall apply to all information provided to the Committee under section 721, including by any party to a covered real estate transaction.

(h) The penalties and damages available under this section are without prejudice to other penalties, civil or criminal, available under law.

(i) The imposition of a civil monetary penalty or damages under these regulations creates a debt due to the U.S. Government. The Department of the Treasury may take action to collect the penalty or damages assessed if not paid within the time prescribed by the Committee and notified to the applicable party or parties. In addition or instead, the matter may be referred to the Department of Justice for appropriate action to recover the penalty or damages.

[85 FR 3166, Jan. 17, 2020, as amended at 89 FR 93186, Nov. 26, 2024]

§ 802.902 Effect of lack of compliance.

If, at any time after a mitigation agreement or condition is entered into or imposed under section 721(l), the Committee or a lead agency in coordination with the Staff Chairperson, as the case may be, determines that a party or parties to the agreement or condition are not in compliance with the terms of the agreement or condition, the Committee or a lead agency

in coordination with the Staff Chairperson may, in addition to the authority of the Committee to impose penalties under section 721(h) and to unilaterally initiate a review of any covered real estate transaction under section 721(b)(1)(D)(iii):

(a) Negotiate a plan of action for the party or parties to remediate the lack of compliance, with failure to abide by the plan or otherwise remediate the lack of compliance serving as the basis for the Committee to find a material breach of the agreement or condition;

(b) Require that the party or parties submit a written notice or declaration under clause (i) of section 721(b)(1)(C) with respect to a covered real estate transaction initiated after the date of the determination of noncompliance and before the date that is five years after the date of the determination to the Committee to initiate a review of the transaction under section 721(b); or

(c) Seek injunctive relief.

(b) A rescission of a determination under § 802.1001(b) shall take effect on the date specified in the notice published under § 802.1001(c).

(c) A determination under § 802.1001(a) does not apply to any transaction for which a declaration or notice has been accepted by the Staff Chairperson under § 802.403(a)(1) or § 802.503(a), respectively.

(d) A rescission of a determination under § 802.1001(b) does not apply to any transaction for which:

(1) The completion date is prior to the date upon which the rescission of a determination under paragraph (b) of this section becomes effective; or

(2) Before publication of the rescission of determination under § 802.1001(c), the parties to the transaction have executed a binding written agreement, or other binding document, establishing the material terms of the transaction that is ultimately consummated.

Subpart J—Foreign National Security Investment Review Regimes

§ 802.1001 Determinations.

(a) The Committee may determine at any time that a foreign state has made significant progress toward establishing and effectively utilizing a robust process to analyze foreign investments for national security risks and to facilitate coordination with the United States on matters relating to investment security.

(b) The Committee may rescind a determination under paragraph (a) of this section if the Committee determines that such a rescission is appropriate.

(c) The Chairperson of the Committee shall publish a notice of any determination or rescission of a determination under paragraph (a) or (b) of this section, respectively, in the FEDERAL REGISTER.

§ 802.1002 Effect of determinations.

(a) A determination under § 802.1001(a) shall take effect immediately upon publication of a notice of such determination under § 802.1001(c) and remain in effect unless rescinded under § 802.1001(b).

Subpart K—Filing Fees

SOURCE: 85 FR 23743, Apr. 29, 2020, unless otherwise noted.

§ 802.1101 Amount of fee.

Except as otherwise provided in this subpart, the parties filing a formal written notice of a transaction with the Committee under § 802.501(a) on or after May 1, 2020, shall pay a filing fee as follows:

(a) Where the value of the transaction is less than \$500,000: No fee;

(b) Where the value of the transaction is equal to or greater than \$500,000 but less than \$5,000,000: \$750;

(c) Where the value of the transaction is equal to or greater than \$5,000,000 but less than \$50,000,000: \$7,500;

(d) Where the value of the transaction is equal to or greater than \$50,000,000 but less than \$250,000,000: \$75,000;

(e) Where the value of the transaction is equal to or greater than \$250,000,000 but less than \$750,000,000: \$150,000;

(f) Where the value of the transaction is equal to or greater than \$750,000,000: \$300,000.

§ 802.1102 Timing of payment.

Subject to §§ 802.1106 through 802.1108, the Staff Chairperson shall not accept a formal written notice under § 802.503(a) until payment of any fee required under this subpart is received by the Department of the Treasury in the manner specified on the Committee's section of the Department of the Treasury website.

§ 802.1103 Valuation.

Except as provided in paragraph (e) of this section, the value of the transaction for purposes of determining the required fee amount in this subpart shall be determined as follows:

(a) For a transaction structured as a purchase, by the total value of all consideration that has been or will be provided in the context of the transaction by or on behalf of the foreign person that is a purchaser in the transaction, including cash, assets, shares or other ownership interests, debt forgiveness, or services or other in-kind consideration.

(b) For a transaction structured as a lease, by the value of the sum of, as applicable:

(1) Any fixed payments to be paid by the foreign person that is a lessee in the transaction to, or for the benefit of, the lessor over the term of the lease;

(2) Any variable payments that depend on an index or a rate (such as a market interest rate) to be paid by the foreign person that is a lessee in the transaction to, or for the benefit of, the lessor, over the term of the lease, measured for purposes of this section by using the index or rate on the day immediately prior to the date the parties file the formal written notice; and

(3) Any non-cash consideration to be provided by the foreign person that is a lessee in the transaction to, or for the benefit of, the lessor, over the term of the lease, as may be reasonably determined as of the date the parties file the formal written notice.

(c) For a transaction structured as a concession, by the value of the sum of all rent, fees, and charges to be paid by the foreign person to the grantor and any non-cash consideration to be provided by such foreign person to, or for the benefit of, the grantor, over the

term of a concession agreement, as may be reasonably determined as of the date the parties file the formal written notice.

(d) Determining the value of consideration:

(1) Where the consideration is or includes securities traded on a national securities exchange, the value of the securities is the closing price on the national securities exchange on which the securities are primarily traded on the trading day immediately prior to the date the parties file the formal written notice with the Committee under § 802.501(a), or if the securities were not traded on that day, the last published closing price.

(2) Where the consideration is or includes other non-cash assets, services, interests, or other in-kind consideration, including real property contributed by a foreign person that is party to a transaction involving the exchange of land or contribution to a joint venture, the value of the assets, service, interests, or other in-kind consideration is their fair market value as of the date the parties file the formal written notice.

(3) Where the transaction is or includes a lending transaction, the consideration includes the cash value of the mortgage, loan, or similar financing arrangement, made available or provided by or on behalf of the foreign person that is a party to the transaction.

(4) Where the transaction is or includes the conversion of a contingent equity interest previously acquired by a foreign person that is a party to the transaction, the consideration includes what was paid by or on behalf of the foreign person to initially acquire the contingent equity interest, in addition to any other consideration paid or to be paid in connection with the conversion.

(e) Exceptions:

(1) In the case of a purchase, to the extent the consideration to be provided by the foreign person has not been or cannot reasonably be determined as of the date the parties file the formal written notice, the value of the transaction includes, with respect to assets for which consideration has not been determined, the fair market value of

the assets being purchased in the transaction as of the date the parties file the formal written notice.

NOTE 1 TO § 802.1103(e)(1): The consideration amount may be determined notwithstanding minor standard adjustments that are to be made at closing.

(2) In the case of a lease or concession, where the consideration to be provided by the foreign person has not been or cannot reasonably be determined at the time of filing, or, where the parties cannot reasonably determine the value of rent, fees, charges, or services under paragraph (c) of this section, the filing fee required shall be that required under § 802.1101(b).

(f) The Staff Chairperson is not bound by the parties' characterization of the transaction and its value or their good faith approximation provided to the Committee under § 802.502(b)(1)(ix).

(g) Fair market value means the price that would be received in exchange for sale of an interest, or paid to receive a service or to transfer liability, in an orderly transaction between market participants.

(1) In determining fair market value, parties shall make a good faith estimate and generally may rely on the last valuation as presented in financial statements prepared in accordance with generally accepted accounting principles or other widely recognized accounting principles, such as the International Financial Reporting Standards, or the valuation of an independent appraiser; provided, however, that if no valuation has occurred within the prior two fiscal quarters, or if there have been significant changes to the fair market value since the last valuation, the parties shall make a good faith estimate at the time of filing the formal written notice, or, if the parties are filing after the completion of the transaction, the completion date of the transaction.

(2) In determining the fair market value of services, the parties may rely upon the value of services determined by the parties as set forth in an executed written agreement, or make an estimate at the time of filing the formal written notice based upon rates charged to third parties or recent industry reports or other sources of com-

parable commercial data; provided, however, if such sources are unavailable, the parties shall make a good faith estimate. If the parties are filing after completion of the transaction, the parties shall make an estimate of the fair market value as of the completion date.

(h) Multiple-phase and contingent equity interest transactions:

(1) Where a transaction will be effectuated in multiple phases, the value of the transaction includes the total value of the multiple phases, as may be reasonably determined as of the date the parties file the formal written notice.

(2) Where a transaction is or includes the acquisition of contingent equity interest, the value of the transaction includes the consideration that was paid by or on behalf of the foreign person to acquire the contingent equity interest, and, if the conditions that lead to conversion will occur imminently, the conditions are within the control of the acquiring party, and the consideration for the interest that would be acquired upon conversion or satisfaction of contingent conditions can be reasonably determined at the time of acquisition, any other consideration paid or to be paid in connection with the conversion.

NOTE 2 TO § 800.1103(h)(2): See § 802.1103(d)(4) regarding consideration for a contingent equity interest where the interest has been converted to equity.

(i) Examples:

(1) *Example 1.* Corporation A, a foreign person, enters into an agreement for the purchase of a parcel of covered real estate (Parcel X) from Corporation B. In exchange for ownership of Parcel X, Corporation A forgives a debt owed to it by Corporation B that is valued at \$5,000,000 and pays \$35,000,000 to Corporation B. Assuming no other relevant facts, the value of the transaction is \$40,000,000, and the filing fee is \$7,500.

(2) *Example 2.* Corporation A, a foreign person, enters into an agreement to lease a parcel of covered real estate from Corporation B. Pursuant to the agreement, Corporation A will pay Corporation B a fixed annual payment of \$300,000 for a term of three years, with an option to renew the lease at the end

of the term. Assuming no other relevant facts, the value of the transaction is \$900,000, and the filing fee is \$750.

(3) *Example 3.* Corporation A, a foreign person, proposes to enter into a concession agreement with a U.S. public entity for the right to use certain covered real estate for the purpose of developing and operating terminal infrastructure at a covered port. The concession agreement is for a five-year term. Under the concession agreement, Corporation A will pay the U.S. public entity a use charge of \$450,000 per year starting in the second year. The concession agreement also requires Corporation A to pay utility fees and common area maintenance charges of \$5,000 per month for the full concession term. Assuming no other relevant facts, the value of the transaction is \$2,100,000, based on the \$1,800,000 use charge and \$300,000 in utility fees. The filing fee is \$750.

(4) *Example 4.* Corporation A, a foreign person, proposes to enter into an oil, gas and mineral lease with a U.S. public entity. Under the terms of the lease, Corporation A pays a lease bonus of \$1,000 per acre as an inducement to execute the lease with respect to a 10-acre parcel of covered real estate. The lease has a 10-year term. Corporation A must pay a royalty of 12.5 percent with respect to oil or gas production from the leased parcel. In the absence of such production, the foreign person is obligated to pay a rental fee of \$1,000 per acre per year for the first five years and \$2,000 per acre thereafter. Assuming no other relevant facts, the value of the transaction is \$160,000 and there is no filing fee.

(5) *Example 5.* Corporation A, a foreign person, proposes to purchase Plot X and Plot Y. The transaction will be completed in two phases. Corporation A will first acquire Plot X for \$30,000,000 (phase 1). One month later, Corporation A will acquire Plot Y for another \$30,000,000 (phase 2). Assuming no other relevant facts, the value of the consideration is \$60,000,000 (the total consideration for both phases), and the filing fee is \$75,000.

(6) *Example 6.* Corporation A, a foreign person, proposes to purchase Plot X and acquire an option to purchase

Plot Y. Corporation A will acquire Plot X and the option related to Plot Y in exchange for \$30,000,000. Corporation A informs its shareholders that within two months, it will exercise the option to purchase Plot Y in exchange for another \$30,000,000. Because the option to convert is imminent and in the control of Corporation A, and the consideration can be reasonably determined, the value of the transaction includes the consideration to be paid in connection with the conversion. Assuming no other relevant facts, the value of the consideration is \$60,000,000 (the total consideration for the purchase of Plot X and the option to purchase Plot Y), and the filing fee is \$75,000.

(j) The determination of the value of the transaction for purposes of calculating the filing fee in no way limits the Committee's jurisdiction or its authority to review, investigate, mitigate, impose penalties regarding, or take any other action regarding any covered real estate transaction.

§ 802.1104 Manner of payment.

Parties to a transaction must pay any filing fee by electronic payment. The filing fee must be paid in U.S. dollars. Instructions for paying filing fees are available on the Committee's section of the Department of the Treasury website.

§ 802.1105 Refunds.

(a) Except as provided in paragraphs (b) and (c) of this section, the Department of the Treasury shall not refund a filing fee in whole or in part.

(b) If the Committee determines that the transaction is not a covered real estate transaction, the filing fee shall be refunded.

(c) In response to a petition by a party, if the Staff Chairperson determines, based on the information and representations contained in the formal written notice, as well as any other information provided by the parties, that a party or the parties to a transaction paid a filing fee in an amount greater than required at the time of filing, the Department of the Treasury shall refund the amount of overpayment to the party or parties who paid the filing fee.

Office of Investment Security, Treasury

Pt. 802, App. A

§ 802.1106 Waiver.

If the Staff Chairperson determines that extraordinary circumstances relating to national security warrant, the Staff Chairperson may waive the filing fee in whole or in part and will notify the parties in writing. No waiver shall be implied, even where the Staff Chairperson does not reject a voluntary notice under § 802.1108 for failure to pay the required filing fee.

§ 802.1107 Refilings.

The parties to a transaction shall not be required to pay an additional filing fee in the event that the Staff Chairperson permits the parties to withdraw and refile a notice under § 802.509(c)(2), unless the Staff Chairperson determines that a material change to the transaction has occurred, or a material inaccuracy or omission was made by the parties in information provided to the Committee, that requires the Committee to consider new information, in

which case the Staff Chairperson will inform the parties in writing.

§ 802.1108 Rejection of voluntary notice.

The Staff Chairperson may reject a voluntary notice under § 802.504(a)(3) upon a determination that the amount of the filing fee paid by the parties was insufficient under this subpart. Prior to rejecting a notice under § 802.504(a)(3), the Staff Chairperson shall inform the parties in writing of the insufficiency of payment and provide the parties three business days to pay the remainder of the filing fee. If the Staff Chairperson does not reject a voluntary notice under § 802.504(a)(3) upon a determination that the amount of the filing fee payment paid by the parties was insufficient under this section, the balance of the fee remains payable unless the Staff Chairperson notifies the parties in writing that the payment has been waived in whole or in part.

APPENDIX A TO PART 802—LIST OF MILITARY INSTALLATIONS AND OTHER U.S.
GOVERNMENT SITES

Site name	Location
Part 1	
Adelphi Laboratory Center	Adelphi, MD.
Air Force Maui Optical and Supercomputing Site	Maui, HI.
Air Force Office of Scientific Research	Arlington, VA.
Andersen Air Force Base	Yigo, Guam.
Anniston Army Depot	Anniston, AL.
Army Futures Command	Austin, TX.
Army Research Lab—Orlando Simulations and Training Technology Center	Orlando, FL.
Army Research Office	Durham, NC.
Barter Island Regional Radar Site	Barter Island, AK.
Beale Air Force Base	Yuba City, CA.
Biometric Technology Center (Defense Forensics and Biometrics Agency)	Clarksburg, WV.
Blue Grass Army Depot	Richmond, KY.
Buckley Space Force Base	Aurora, CO.
Camp Blaz	Dededo, Guam.
Camp Mackall	Southern Pines, NC.
Camp Navajo	Bellemont, AZ.
Camp Roberts	San Miguel, CA.
Cape Newenham Long Range Radar Site	Cape Newenham, AK.
Cavalier Space Force Station	Cavalier, ND.
Cheyenne Mountain Space Force Station	Colorado Springs, CO.
Clear Space Force Station	Anderson, AK.
Cold Bay Regional Radar Site	Cold Bay, AK.
Combat Capabilities Development Command Soldier Center	Natick, MA.
Creech Air Force Base	Indian Springs, NV.
Davis-Monthan Air Force Base	Tucson, AZ.
Defense Advanced Research Projects Agency	Arlington, VA.
Detroit Arsenal	Warren, MI.
Eareckson Air Station	Shemya, AK.
Eielson Air Force Base	Fairbanks, AK.
Ellington Field Joint Reserve Base	Houston, TX.
Fairchild Air Force Base	Spokane, WA.
Fort Belvoir	Fairfax County, VA.
Fort Bliss	El Paso, TX.

Site name	Location
Fort Campbell	Hopkinsville, KY and Clarksville, TN.
Fort Carson	Colorado Springs, CO.
Fort Cavazos	Killeen, TX.
Fort Detrick	Frederick, MD.
Fort Drum	Watertown, NY.
Fort Eisenhower	Augusta, GA.
Fort Gregg-Adams	Petersburg, VA.
Fort Knox	Elizabethtown, KY.
Fort Leavenworth	Leavenworth County, KS.
Fort Leonard Wood	Pulaski County, MO.
Fort Meade	Anne Arundel County, MD.
Fort Moore	Columbus, GA.
Fort Riley	Junction City, KS.
Fort Shafter	Honolulu, HI.
Fort Sill	Lawton, OK.
Fort Stewart	Hinesville, GA.
Fort Yukon Long Range Radar Site	Fort Yukon, AK.
Francis E. Warren Air Force Base	Cheyenne, WY.
Guam Tracking Station	Inarajan, Guam.
Hanscom Air Force Base	Lexington, MA.
Hawthorne Army Depot	Hawthorne, NV.
Holloman Air Force Base	Alamogordo, NM.
Holston Army Ammunition Plant	Kingsport, TN.
Indian Mountain Regional Radar Site	Indian Mountain, AK.
Iowa Army Ammunition Plant	Middletown, IA.
Joint Base Anacostia-Bolling	Washington, DC.
Joint Base Andrews	Camp Springs, MD.
Joint Base Elmendorf-Richardson	Anchorage, AK.
Joint Base Langley-Eustis	Hampton, VA and Newport News, VA.
Joint Base Lewis-McChord	Tacoma, WA.
Joint Base McGuire-Dix-Lakehurst	Lakehurst, NJ.
Joint Base Myer-Henderson Hall	Arlington, VA.
Joint Base Pearl Harbor-Hickam	Honolulu, HI.
Joint Expeditionary Base Little Creek-Fort Story	Virginia Beach, VA.
Joint Systems Manufacturing Center—Lima	Lima, OH.
Kaena Point Satellite Tracking Station	Waianae, HI.
Kenai Regional Radar Site	Kenai, AK.
King Salmon Air Force Station	King Salmon, AK.
Kirtland Air Force Base	Albuquerque, NM.
Kodiak Tracking Station	Kodiak Island, AK.
Kotzebue Regional Radar Site	Kotzebue, AK.
Lake City Army Ammunition Plant	Independence, MO.
Letterkenny Army Depot	Chambersburg, PA.
Lisburne Regional Radar Site	Cape Lisburne, AK.
Los Angeles Air Force Base	El Segundo, CA.
MacDill Air Force Base	Tampa, FL.
Marine Corps Air Ground Combat Center Twentynine Palms	Twentynine Palms, CA.
Marine Corps Air Station Beaufort	Beaufort, SC.
Marine Corps Air Station Cherry Point	Cherry Point, NC.
Marine Corps Air Station Miramar	San Diego, CA.
Marine Corps Air Station New River	Jacksonville, NC.
Marine Corps Air Station Yuma	Yuma, AZ.
Marine Corps Base Camp Lejeune	Jacksonville, NC.
Marine Corps Base Camp Pendleton	Oceanside, CA.
Marine Corps Base Hawaii	Kaneohe Bay, HI.
Marine Corps Base Hawaii, Camp H.M. Smith	Halawa, HI.
Marine Corps Base Quantico	Quantico, VA.
Marine Corps Logistics Base Albany	Albany, GA.
Marine Corps Logistics Base Barstow	Barstow, CA.
Marine Corps Support Facility Blount Island	Jacksonville, FL.
Mark Center	Alexandria, VA.
McAlester Army Ammunition Plant	McAlester, OK.
Military Ocean Terminal Concord	Concord, CA.
Military Ocean Terminal Sunny Point	Brunswick County, NC.
Minot Air Force Base	Minot, ND.
Naval Air Station Corpus Christi	Corpus Christi, TX.
Naval Air Station Joint Reserve Base New Orleans	Belle Chasse, LA.
Naval Air Station Oceana	Virginia Beach, VA.
Naval Air Station Oceana Dam Neck Annex	Virginia Beach, VA.
Naval Air Station Whidbey Island	Oak Harbor, WA.
Naval Base Guam	Apra Harbor, Guam.
Naval Base Kitsap Bangor	Silverdale, WA.
Naval Base Point Loma	San Diego, CA.
Naval Base San Diego	San Diego, CA.

Office of Investment Security, Treasury

Pt. 802, App. A

Site name	Location
Naval Base Ventura County—Port Hueneme Operating Facility	Port Hueneme, CA.
Naval Logistics Support Activity Ketchikan	Ketchikan, AK.
Naval Logistics Support Activity LaMoure	LaMoure, ND.
Naval Logistics Support Annex Orlando	Okahumpka, FL.
Naval Logistics Support Facility Aguada	Aguada, Puerto Rico.
Naval Logistics Support Facility Cutler	Cutler, ME.
Naval Research Laboratory	Washington, DC.
Naval Research Laboratory—Blossom Point	Welcome, MD.
Naval Research Laboratory—Stennis Space Center	Hancock County, MS.
Naval Research Laboratory—Tilghman	Tilghman, MD.
Naval Station Newport	Newport, RI.
Naval Station Norfolk	Norfolk, VA.
Naval Submarine Base Kings Bay	Kings Bay, GA.
Naval Submarine Base New London	Groton, CT.
Naval Suffolk Facility	Suffolk, VA.
Naval Support Activity Crane	Crane, IN.
Naval Support Activity Orlando	Orlando, FL.
Naval Support Activity Panama City	Panama City, FL.
Naval Support Activity Philadelphia	Philadelphia, PA.
Naval Support Facility Carderock	Bethesda, MD.
Naval Support Facility Dahlgren	Dahlgren, VA.
Naval Support Facility Indian Head	Indian Head, MD.
Naval Surface Warfare Center Carderock Division—Acoustic Research Detachment	Bayview, ID.
Naval Weapons Station Seal Beach Detachment Norco	Norco, CA.
New Boston Air Station	New Boston, NH.
Offutt Air Force Base	Bellevue, NE.
Oliktok Long Range Radar Site	Oliktok, AK.
Orchard Combat Training Center	Boise, ID.
Peason Ridge Training Area	Leesville, LA.
Pentagon	Arlington, VA.
Peterson Space Force Base	Colorado Springs, CO.
Picatinny Arsenal	Morris County, NJ.
Pine Bluff Arsenal	White Hall, AR.
Piñon Canyon Maneuver Site	Tyrone, CO.
Pohakuloa Training Area	Hilo, HI.
Point Barrow Long Range Radar Site	Point Barrow, AK.
Portsmouth Naval Shipyard	Kittery, ME.
Pueblo Chemical Depot	Pueblo, CO.
Radford Army Ammunition Plant	Radford, VA.
Red River Army Depot	Texarkana, TX.
Rock Island Arsenal	Rock Island, IL.
Romanzof Regional Radar Site	Romanzof, AK.
Rome Research Laboratory	Rome, NY.
Scott Air Force Base	St. Clair County, IL.
Scranton Army Ammunition Plant	Scranton, PA.
Seymour Johnson Air Force Base	Goldsboro, NC.
Shaw Air Force Base	Sumter, SC.
Southeast Alaska Acoustic Measurement Facility	Ketchikan, AK.
Sparrevohn Regional Radar Site	Sparrevohn, AK.
Tatalina Regional Radar Site	Tatalina, AK.
Tin City Long Range Radar Site	Tin City, AK.
Tooele Army Depot	Tooele, UT.
Travis Air Force Base	Fairfield, CA.
Tyndall Air Force Base	Bay County, FL.
Watervliet Arsenal	Watervliet, NY.
Part 2	
Aberdeen Proving Ground	Aberdeen, MD.
Air Force Plant 42	Palmdale, CA.
Altus Air Force Base	Altus, OK.
Arnold Air Force Base	Coffee County and Franklin County, TN.
Barksdale Air Force Base	Bossier City, LA.
Camp Dodge	Johnston, IA.
Camp Grayling	Grayling, MI.
Camp Shelby	Hattiesburg, MS.
Camp Williams	Bluffdale, UT.
Cannon Air Force Base	Clovis, NM.
Cape Canaveral Space Force Station	Cape Canaveral, FL.
Chocolate Mountain Aerial Gunnery Range	Niland, CA.
Columbus Air Force Base	Columbus, MS.
Dare County Range	Manns Harbor, NC.
Dover Air Force Base	Delmarva, DE.
Dyess Air Force Base	Abilene, TX.

Site name		Location
Edwards Air Force Base		Edwards, CA.
Eglin Air Force Base		Valparaiso, FL.
Ellsworth Air Force Base		Box Elder, SD.
Fallon Range Complex		Fallon, NV.
Fort Greely		Delta Junction, AK.
Fort Huachuca		Sierra Vista, AZ.
Fort Irwin		San Bernardino County, CA.
Fort Johnson		Vernon Parish, LA.
Fort Liberty		Fayetteville, NC.
Fort Novosel		Dale County, AL.
Fort Wainwright		Fairbanks, AK.
Goodfellow Air Force Base		San Angelo, TX.
Grand Forks Air Force Base		Grand Forks, ND.
Hardwood Range		Necedah, WI.
Hill Air Force Base		Ogden, UT.
Joint Base Cape Cod		Sandwich, MA.
Joint Base Charleston		North Charleston, SC.
Joint Base San Antonio		San Antonio, TX.
Laughlin Air Force Base		Del Rio, TX.
Little Rock Air Force Base		Little Rock, AR.
Luke Air Force Base		Glendale, AZ.
Malmstrom Air Force Base		Great Falls, MT.
Maxwell-Gunter Air Force Base		Montgomery, AL.
Moody Air Force Base		Valdosta, GA.
Mountain Home Air Force Base		Mountain Home, ID.
Muscatatuck Urban Training Center		Butlerville, IN.
Naval Air Station Meridian		Meridian, MS.
Naval Air Station Patuxent River		Lexington Park, MD.
Naval Air Weapons Station China Lake		Ridgecrest, CA.
Naval Base Kitsap—Keyport		Keyport, WA.
Naval Base Ventura County—Point Mugu Operating Facility		Point Mugu, CA.
Naval Weapons Systems Training Facility Boardman		Boardman, OR.
Nellis Air Force Base		Las Vegas, NV.
Nevada Test and Training Range		Tonopah, NV.
Pacific Missile Range Facility		Kekaha, HI.
Patrick Space Force Base		Cocoa Beach, FL.
Redstone Arsenal		Huntsville, AL.
Schriever Space Force Base		Colorado Springs, CO.
Tinker Air Force Base		Midwest City, OK.
Townsend Bombing Range		McIntosh County, GA.
Tropic Regions Test Center		Wahiawa, HI.
Utah Test and Training Range		Barro, UT.
Vance Air Force Base		Enid, OK.
Vandenberg Space Force Base		Lompoc, CA.
West Desert Test Center		Dugway, UT.
White Sands Missile Range		White Sands Missile Range, NM.
Whiteman Air Force Base		Knob Noster, MO.
Wright-Patterson Air Force Base		Dayton, OH.
Yuma Proving Ground		Yuma, AZ.
Site name	County	Township/range

Part 3

90th Missile Wing, Francis E. Warren Air Force Base Missile Field (Colorado, Nebraska, and Wyoming).	Logan, CO	All lands except those located south of Township 8 North and east of Range 51 West using the Bureau of Land Management's Public Lands Survey System.
	Morgan, CO	All lands located north of Township 3 North using the Bureau of Land Management's Public Lands Survey System.
	Sedgwick, CO	All lands except those located east of Range 46 West using the Bureau of Land Management's Public Lands Survey System.
	Washington, CO	All lands located north of Township 4 North, and west of Range 52 West using the Bureau of Land Management's Public Lands Survey System.
	Weld, CO	All lands located north of Township 4 North, and east of Range 64 West using the Bureau of Land Management's Public Lands Survey System.
	Banner, NE	All.

Office of Investment Security, Treasury

Pt. 802, App. A

Site name	County	Township/range
341st Missile Wing, Malmstrom Air Force Base Missile Field (Montana).	Cheyenne, NE	All.
	Deuel, NE	All lands located south of Township 15 North, and west of Range 43 West using the Bureau of Land Management's Public Lands Survey System.
	Garden, NE	All lands located south of Township 19 North, and west Range 43 West using the Bureau of Land Management's Public Lands Survey System.
	Kimball, NE	All.
	Morrill, NE	All lands except those located north of Township 21 North using the Bureau of Land Management's Public Lands Survey System.
	Scotts Bluff, NE	All.
	Sioux, NE	All lands except those located north of Township 26 North, and east of Range 57 West using the Bureau of Land Management's Public Lands Survey System.
	Goshen, WY	All lands except those located north of Township 27 North using the Bureau of Land Management's Public Lands Survey System.
	Laramie, WY	All lands except those located south of Township 14 North, and west of Range 64 West using the Bureau of Land Management's Public Lands Survey System.
	Platte, WY	All lands except those located north of Township 27 North using the Bureau of Land Management's Public Lands Survey System.
	Blaine, MT	All lands except those located north of Township 24 North using the Bureau of Land Management's Public Lands Survey System.
	Cascade, MT	All.
	Chouteau, MT	All lands except those located north of Township 24 North, and east of Range 8 East using the Bureau of Land Management's Public Lands Survey System.
	Fergus, MT	All lands except those located east of Range 26 East using the Bureau of Land Management's Public Lands Survey System.
	Glacier, MT	All lands located south of Township 35 North, and east of Range 7 West, using the Bureau of Land Management's Public Lands Survey System.
	Golden Valley, MT	All lands except those located south of Township 11 North, and east of Range 20 East using the Bureau of Land Management's Public Lands Survey System.
	Judith Basin, MT	All.
	Lewis and Clark, MT	All lands except those located south of Township 14 North using the Bureau of Land Management's Public Lands Survey System.
	Liberty, MT	All lands except those located north of Township 31 North, and east of Range 5 East using the Bureau of Land Management's Public Lands Survey System.
	Meagher, MT	All lands except those located south of Township 12 North, and west of Range 9 East using the Bureau of Land Management's Public Lands Survey System.
	Musselshell, MT	All lands located north of Township 10 North, and west of Range 23 East using the Bureau of Land Management's Public Lands Survey System.
	Petroleum, MT	All lands located west of Range 27 East using the Bureau of Land Management's Public Lands Survey System.

Site name	County	Township/range
91st Missile Wing, Minot Air Force Base Missile Field (North Dakota).	Phillips, MT	All lands located south of Township 23 North, and west of Range 25 East using the Bureau of Land Management's Public Lands Survey System.
	Pondera, MT	All lands except those located west of Range 9 West, using the Bureau of Land Management's Public Lands Survey System.
	Stillwater, MT	All lands located north of Township 3 North, and west of Range 20 East using the Bureau of Land Management's Public Lands Survey System.
	Sweet Grass, MT	All lands located north of Township 3 North, and east of Range 12 East using the Bureau of Land Management's Public Lands Survey System.
	Teton, MT	All lands except those located west of Range 10 West using the Bureau of Land Management's Public Lands Survey System.
	Toole, MT	All lands except those located north of Township 34 North using the Bureau of Land Management's Public Lands Survey System.
	Wheatland, MT	All.
	Bottineau, ND	All lands except those located east of Range 77 West using the Bureau of Land Management's Public Lands Survey System.
	Burke, ND	All lands except those located west of Range 93 West using the Bureau of Land Management's Public Lands Survey System.
	Dunn, ND	All lands located north of Township 148 North, using the Bureau of Land Management's Public Lands Survey System.
	McHenry, ND	All lands except those located north of Township 156 North, and east of Range 80 West using the Bureau of Land Management's Public Lands Survey System.
	McKenzie, ND	All lands located east of Range 95 West, using the Bureau of Land Management's Public Lands Survey System.
	McLean, ND	All lands except those located south of Township 145 North using the Bureau of Land Management's Public Lands Survey System.
	Mercer, ND	All lands located north of Township 145 North, east of Range 90 West, using the Bureau of Land Management's Public Lands Survey System.
	Mountrail, ND	All.
	Pierce, ND	All lands located south of Township 155 North, west of Range 72 West using the Bureau of Land Management's Public Lands Survey System.
	Renville, ND	All.
	Sheridan, ND	All lands except those located south of Township 148 North, and east of Range 78 West using the Bureau of Land Management's Public Lands Survey System.
	Ward, ND	All lands except those located north of Township 155 North, and east of Range 83 West using the Bureau of Land Management's Public Lands Survey System.
	Williams, ND	All lands located south of Township 158 North, and east of Range 96 West using the Bureau of Land Management's Public Lands Survey System.

Site name	Location
Part 4	
Boston Range Complex	Offshore Massachusetts, New Hampshire, Maine.
Boston Operating Area	Offshore Massachusetts, New Hampshire, Maine.
Charleston Operating Area	Offshore North Carolina, South Carolina.
Cherry Point Operating Area	Offshore North Carolina, South Carolina.
Corpus Christi Operating Area	Offshore Texas.
Eglin Gulf Test and Training Range	Offshore Florida.
Gulf of Mexico Range Complex	Offshore Mississippi, Alabama, Florida.
Hawaii Range Complex	Offshore Hawaii.
Jacksonville Operating Area	Offshore Florida, Georgia.
Jacksonville Range Complex	Offshore Florida.
Key West Operating Area	Offshore Florida.
Key West Range Complex	Offshore Florida.
Narragansett Bay Range Complex	Offshore Connecticut, Massachusetts, New York, Rhode Island.
Narragansett Bay Operating Area	Offshore Connecticut, Massachusetts, New York, Rhode Island.
New Orleans Operating Area	Offshore Louisiana.
Northern California Range Complex	Offshore California.
Northwest Training Range Complex	Offshore Oregon, Washington.
Panama City Operating Area	Offshore Florida.
Pensacola Operating Area	Offshore Alabama, Florida.
Point Mugu Sea Range	Offshore California.
Southern California Range Complex	Offshore California.
Virginia Capes Operating Area	Offshore Delaware, Maryland, North Carolina, Virginia.
Virginia Capes Range Complex	Offshore Delaware, Maryland, North Carolina, Virginia.

[85 FR 3166, Jan. 17, 2020, as amended at 88 FR 57350, Aug. 23, 2023; 89 FR 88133, Nov. 7, 2024]

PARTS 803–849 [RESERVED]

PART 850—PROVISIONS PERTAINING TO U.S. INVESTMENTS IN CERTAIN NATIONAL SECURITY TECHNOLOGIES AND PRODUCTS IN COUNTRIES OF CONCERN

Subpart A—General

Sec.

850.101 Scope.

850.102 Relation of this part to other laws and regulations.

850.103 Rules of construction and interpretation.

850.104 Knowledge standard.

Subpart B—Definitions

850.201 Advanced packaging.

850.202 AI system.

850.203 Certification.

850.204 Completion date.

850.205 Contingent equity interest.

850.206 Controlled foreign entity.

850.207 Country of concern.

850.208 Covered activity.

850.209 Covered foreign person.

850.210 Covered transaction.

850.211 Develop.

850.212 Entity.

850.213 Excepted transaction.

850.214 Fabricate.

850.215 Knowingly directing.

850.216 Knowledge.

850.217 Notifiable transaction.

850.218 Package.

850.219 Parent.

850.220 Person.

850.221 Person of a country of concern.

850.222 Principal place of business.

850.223 Produce.

850.224 Prohibited transaction.

850.225 Quantum computer.

850.226 Relevant agencies.

850.227 Subsidiary.

850.228 United States.

850.229 U.S. person.

Subpart C—Prohibited Transactions and Other Prohibited Activities

850.301 Undertaking a prohibited transaction.

850.302 Actions of a controlled foreign entity.

850.303 Knowingly directing an otherwise prohibited transaction.

Subpart D—Notifiable Transactions and Other Notifiable Activities

850.401 Undertaking a notifiable transaction.

850.402 Notification of actions of a controlled foreign entity.

850.403 Notification of post-transaction knowledge.

850.404 Procedures for notifications.

850.405 Content of notifications.

850.406 Notice of material omission or inaccuracy.